



AFFORDABLE HOUSING MONITORING REPORT

**Reporting Period: January 2021 to
December 2021**

BARRIE'S AFFORDABLE HOUSING STRATEGY

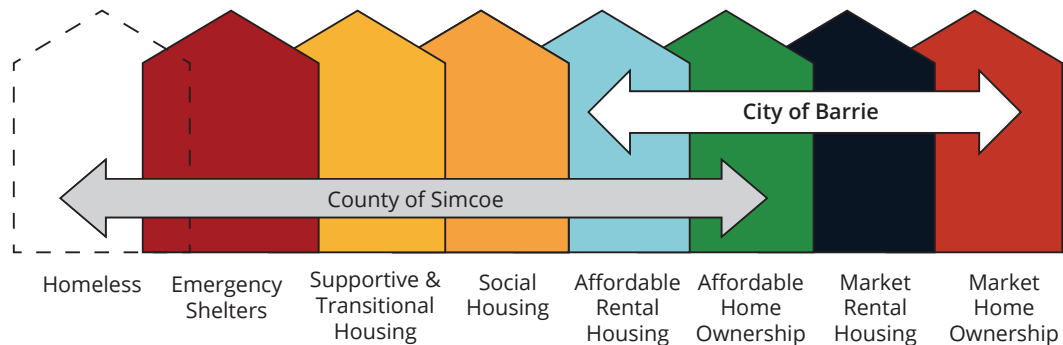
The City of Barrie's Affordable Housing Strategy (2015) is a 10 year plan based on the County of Simcoe's Affordable Housing Strategy. The Strategy identifies the need **to provide a minimum of 840 affordable units** in the City by 2024, including:

Category	Count	Percentage
Affordable rental units	793	94.6%
Affordable home ownership dwellings	47	5.6%

Understanding the City's Role in Affordable Housing:

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

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



What is included in the affordable unit count:

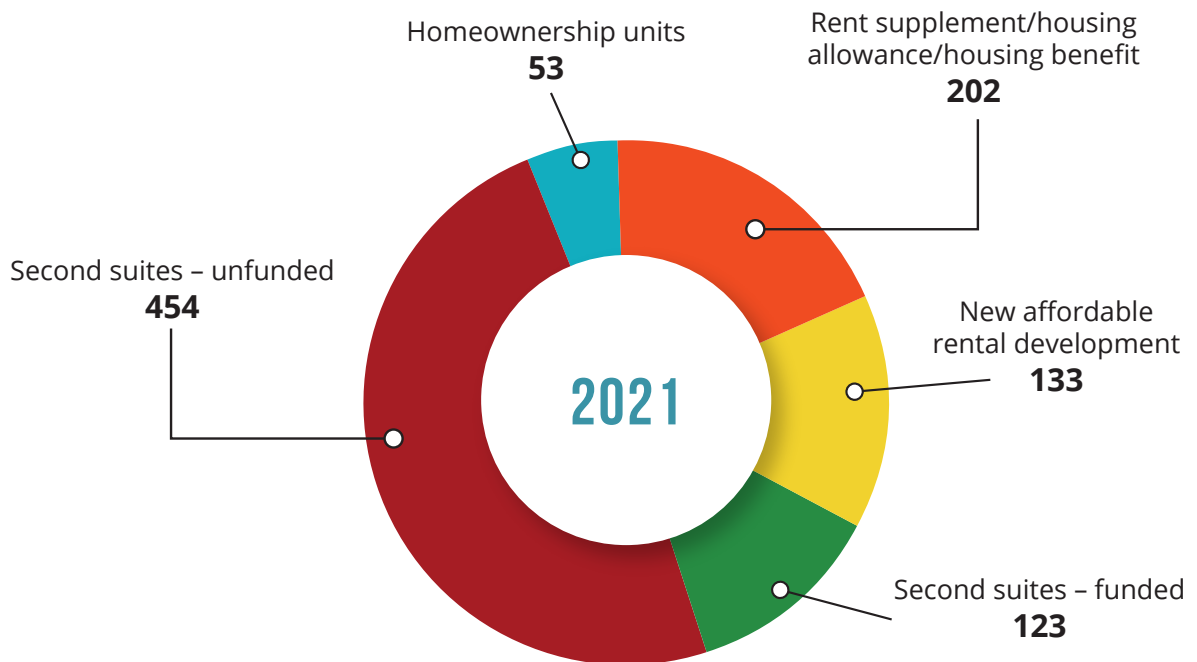
- Affordable housing units are counted when they are move-in ready.
- Units counted include those that the City can be certain will remain affordable over time such as social housing units, housing created with government funding, units owned or operated by housing providers and a percentage of second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

OVERALL PROGRESS & KEY CONCLUSIONS

Progress has been made, but there is more work to be done...

In 2021, the City of Barrie gained 93 affordable housing units, including three ownership units and 90 rental units. Despite these gains, Barrie continues to see the cost of rent and home ownership climb, making it increasingly difficult to find homes for both the hardest to house in our community and working individuals. The City is committed to working with our community to increase housing options and affordability across the municipality, including through undertaking an update to the City's Affordable Housing Strategy to address changing housing needs.

**As of December 31, 2021 (since we started in 2015):
965 affordable units achieved = 114.9% of 840 unit goal**



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

\$419,530.48 in Affordable Housing Development Grants was awarded in 2021 under the City's Community Improvement Plan (CIP) for future housing units.

- The CIP seeks to incentivize housing options for lower income individuals, given they are the hardest to house.
- The maximum affordable rent set by the CIP is 30% of annual household income for those earning up to \$50,000 (lowest 40th percentile), which equals \$1,250 per month. The CIP maximum affordable rent will be adjusted when the 2021 Statistics Canada Census household income data is released later this year.

ACCOMPLISHMENTS & OPPORTUNITIES

Housing affordability was a significant focus for the City in 2021.

There were notable strides in 2021 to make it easier to get more affordable housing built in Barrie:

- In March, Council formed the Housing Affordability Task Force, which met regularly to prepare recommended action items.
- Council passed a resolution in April to authorize staff to waive all planning and building permit fees for qualifying affordable housing projects.
- In August, Council approved and set aside funding for the New Foundations initiative, which is investing up to \$200,000 in affordable housing feasibility studies.
- A City-initiated amendment to the Zoning By-law was adopted in October to facilitate more affordable housing options, including allowing housing as-of-right on institutional lands.

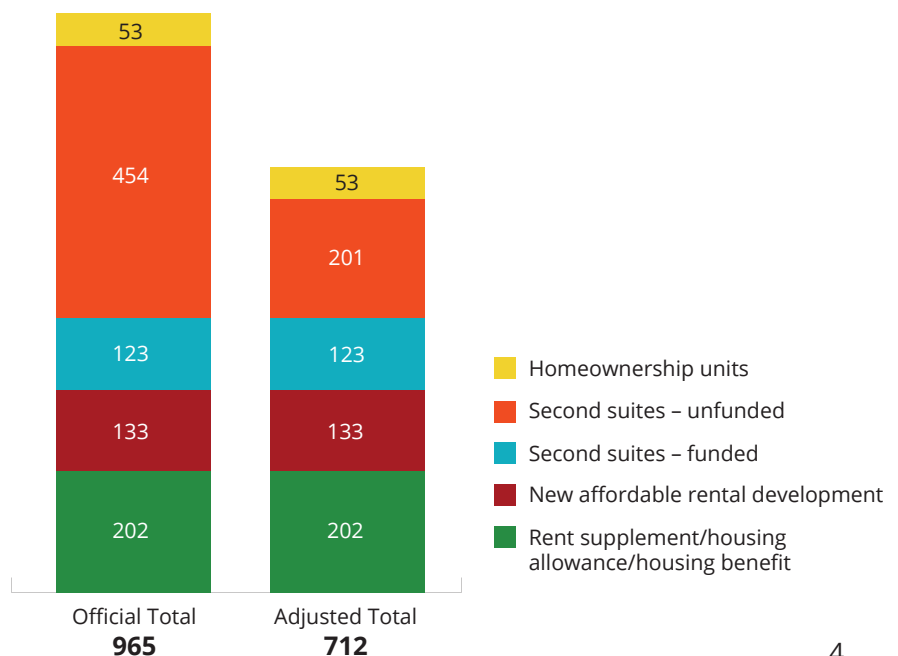
Affordable Rental Units

- In 2021, 50% of all new affordable rental units were unfunded second suites. This shows that second suites are continuing to add to the City's rental housing supply; however, these units are not guaranteed to remain affordable over the long run.
- The primary rental market: While vacancy rates in this market were a healthy 4.1% for townhouse units, the price of rent for them has grown approximately 9% since 2020. For apartment units, the vacancy rate declined to an unhealthy 1.6% and the price of rent increased approximately 5.2% from 2020; this suggests there is a strong demand for this type of housing.

Affordable Homeownership

- While the City has exceeded the goal for new affordable home ownership units, owning a home in Barrie is becoming increasingly expensive and more workforce housing is needed. The benchmark price for a single-family home grew by 35.7% over the reporting period, and far exceeds the affordable home price for median income households.
- In 2020, only 2% of new homes for sale in Barrie sold at or below the 2020 affordable home price. The affordable home price and number of affordable new home sales for 2021 is forthcoming.

If all unfunded second suites built prior to 2020 were adjusted using the 75% discount rate, the total units achieved as of December 31, 2021 drops by 253 units.



AFFORDABLE RENTAL UNITS

115% of affordable rental unit target achieved as of December 31, 2021 (912 out of 793)

- If all new unfunded second suites registered since 2015 were adjusted using the current discount rate of 75%, this would reduce the number of affordable rental units to 659 (83.1% of target).

What is "Affordable" Rent?

- The Provincial Policy Statement and the City's Official Plan both define "affordable" rental housing as the least expensive of:
 - a unit for which the rent does not exceed 30% of gross annual income for low to moderate income households; or
 - a unit for which rent is at or below the average market rent of a unit within the regional market area.

Affordable rent in Barrie based on income:



Median Adjusted Total Household Income:

2019: \$83,163

2020: \$84,386

2021: \$86,320

Monthly "affordable" rent

\$2,078

\$2,109

\$2,158

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

Annual adjusted income levels were calculated using 2015 income reported by Statistics Canada in the 2016 Census, and Consumer Price Index inflation rates of 6.75%, 8.32% and 9.5% for 2019, 2020 and 2021 respectively.

Affordable rent in Barrie based on the regional rental market:

Private Apartment Average Rents (\$):

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

Private Row (Townhouse) Average Rents

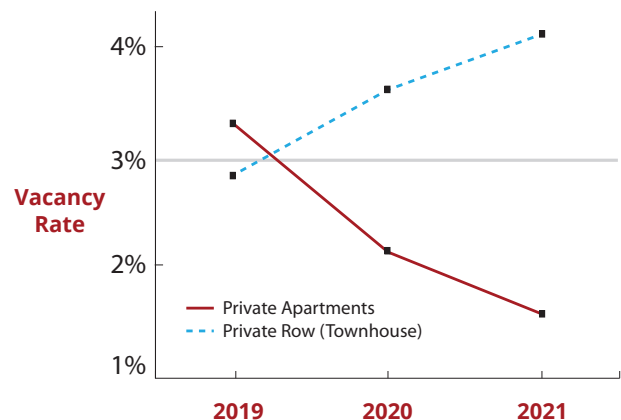
	2 bed	3+ bed	Overall Average	Approx. % increase from previous year average reported
Oct 2019	**	\$1,523	\$1,477	5.0% ↑
Oct 2020	\$1,467	\$1,513	\$1,488	0.7% ↓
Oct 2021	**	\$1,666	\$1,622	9.0% ↑

CMHC Rental Market Report (Primary Rental Market Survey)

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

Primary Rental Market Vacancy Rates:

Note: a healthy vacancy rate is 3% or greater



Second Suites Calculations of Affordability

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

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



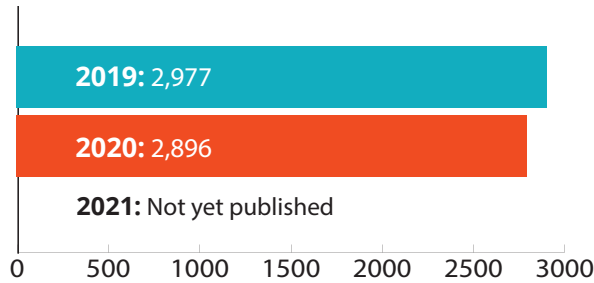
Changing assumptions about the number of affordable second suites has a significant impact on the overall affordable unit count because unfunded second suites make up 47% of Barrie's affordable housing units.

- When the discount rate is updated, it is not applied retroactively to previous reporting years.
- An adjusted total is provided in the Accomplishments & Opportunities section to illustrate the impact this would have if all reporting years were subject to the current 75% discount rate.

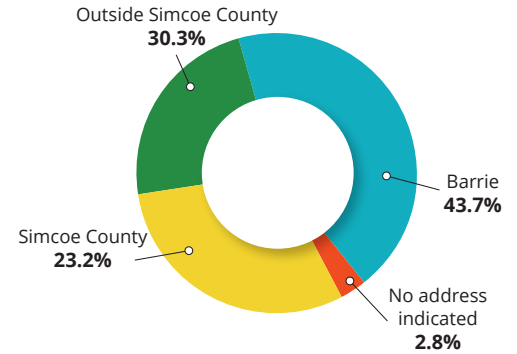


Number of households on the County's centralized waiting list for rent-geared-to-income housing in Barrie:

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



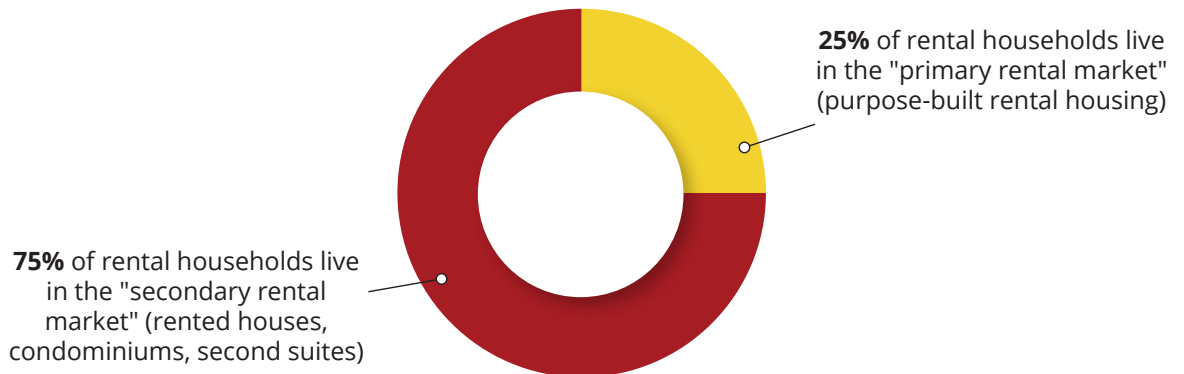
Geographic location of applicants (2020)



Source: County of Simcoe – Social Housing Department

Barrie Rental Market Composition

Estimated using CMHC Rental Market Report & Statistics Canada (2016 Census)



- There are 4,228 purpose-built rental units in the primary rental market in Barrie as of October 2021. This is an increase of 38 rental units from 2020. (CMHC Rental Market Report.)
- The secondary rental market remains more expensive than the primary rental market based on local rental listings and the fact that the County's second suite discount rate rose to 75% in 2020 & 2021.
- According to 2016 Statistics Canada Census data, 50% of Barrie tenant households were spending 30% or more of their income on shelter costs. Updated data from the 2021 Census will be released later this year.

AFFORDABLE HOMEOWNERSHIP

112.8% of affordable home ownership units achieved as of **September 2021** (53 out of 47)

What is "Affordable" Ownership?

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



Source: County of Simcoe – Social Housing Department




Maximum affordable house price calculated by:

Household Income	or	Purchase Price
2019: \$304,300	or	\$440,861
2020: \$316,400	or	\$494,861
2021: *		*

* Data not yet available

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

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

	 Single Family	 Townhouse Benchmark	 Apartment Benchmark
2019*:	\$509,000	\$324,500	\$324,800
2020*:	\$614,900	\$408,300	\$359,400
2021:	\$836,800	\$554,100	\$481,100

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

* Prices in 2019 and 2020 have been updated from the previous year's report to align with the most recent data from CREA.

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

	Total Sales (Units)	Average Sale Value (\$)	Lower Sale Value (\$)	Higher Sale Value (\$)	Affordable Housing Price (\$)	Total Residential Dwelling Units Occupied	Percentage of Affordable Housing Sales
2019	82	284,487	264,757	303,117	304,300	314	26%
2020	6	279,200	243,015	315,580	316,400	342	2%

*Data for 2021 is not yet available

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

APPENDIX: LOCATION OF NEW AFFORDABLE HOUSING

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

Ward	Existing (pre-2019)	2019	2020	2021	Cumulative Total
1	170	11	13	17	211
2	346	44	19	46	455
3	164	38	29	25	256
4	86	19	14	19	138
5	151	19	23	17	210
6	63	9	12	12	96
7	62	19	15	21	117
8	184	19	30	17	250
9	32	17	10	11	70
10	15	8	9	13	45
Total in All Wards	1273	203	174	198	1848
Georgian College Neighbourhood	129	2	9	18	158

Note: The above counts include the total number of second suites that became move-in ready during the reporting period, however only a portion of these were counted towards the Affordable Housing Strategy goal.



New Affordable Rental Development:

Eleven affordable rental apartment units were added at Barrie Housing's Allanview Place.

KEY TERMS

Affordable Homeownership Units: This includes units created through down payment assistance programs (County of Simcoe or Ontario Aboriginal Housing Services), as well as those built by Habitat for Humanity. In terms of affordable units created through the homeownership down payment assistance program, house prices must not exceed 90% of the average annual resale for the area, which is currently set by County Council at \$469,894.

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

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

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

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

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

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

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

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

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

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

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

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