



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Keith Hamilton – Senior Planner, Policy

DATE: August 19, 2024

REPORT NO.: PD-2024-063

SUBJECT: Halton Region 2023 State of Housing Report

RECOMMENDATION:

THAT Report No. PD-2024-063 dated August 19, 2024, regarding the Halton Region 2023 State of Housing Report be received for information.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Halton Hills added 247 new housing units in 2023 including 78 single and semi-detached units, 76 apartments, and 93 townhouses.
- In 2023, there were 105 new housing units under construction in Halton Hills, split between townhouses (66) and single and semi-detached units (39).
- The average cost of a new build home in Halton Hills was \$1,044,882 in 2023, while the average resale home price was \$1,102,906.
- The average rent in Halton Hills was \$1,155 (monthly), the lowest among the four area municipalities.
- Multiple affordable housing projects and initiatives are underway locally, most notably the ongoing redevelopments of 17 Guelph Street in Georgetown, and 47 Maria Street in Acton.

BACKGROUND AND DISCUSSION:

The State of Housing Report has been prepared by Halton Region staff on an annual basis since 2006. The report contains valuable data regarding housing within Halton and its four local municipalities: Burlington, Halton Hills, Milton, and Oakville.

The State of Housing Report provides a review of housing supply and demand in Halton Region. It also monitors how well the Region is implementing its vision for managed and sustainable growth, including housing targets that align with the Provincial Growth Plan and Provincial Policy Statement policies.

Halton Region's targets include:

- At least 65 percent of new housing units produced annually to be in the form of townhouses or multi-storey (apartment) buildings; and,
- At least 30 percent of new housing units produced annually to be affordable or assisted housing (meaning those sold under the Affordable Threshold discussed later on in this report).

In 2023, Halton Region achieved both of these targets, with 74.6 percent of new housing completions being townhouse or apartment units, and 45.2 percent of new units being sold under the Affordable Threshold. Results of the report have been summarized with specific attention given to Halton Hills in comparison to the Region and other regional municipalities. The 2023 State of Housing Report can be found in its entirety in Appendix 1 to this report.

Housing Completions

In Halton Hills, a total of 247 units were completed in 2023, down from the 284 completed in 2022. The other three Halton area municipalities saw increases in completions from 2022 to 2023. Oakville once again had the highest number of completions (see Figure 1), while Burlington saw highest increase (705 more units compared to 2022). Milton and Halton Hills reported higher numbers of ground-related units (singles/semis/townhouses), while Burlington and Oakville both saw higher numbers of apartment completions.

Similar to 2022, Halton Hills saw completions in high (apartment), medium (townhouse), and low (single-detached) density forms. The 2023 completions represent a balanced housing mix with approximately 38 percent as townhouses, 32 percent single-detached, and 30 percent apartments. This was largely driven by ongoing single-detached housing construction in the final Georgetown South subdivision; the Humberstone and James Street townhouse developments in Georgetown; and apartment units added from the AMICO development in the Mill Street Corridor.

Region-wide, 3,743 units were completed in 2023, a nearly 77 percent increase from 2022. Much of this is due to increases in completions in Burlington and Oakville from 2022 to 2023. By proportion the share of apartment completions rose to over 60 percent in 2023 from 27 percent in 2022, while the share of semi and single-detached completions dropped from 51 percent to just over 25 percent. With townhouse completions making up 14 percent of the share, Halton Region achieved its targeted goal of at least 65 percent of completions being apartment or townhouse units.

Figure 1 – Halton Region Housing Completions, 2023

	Halton Region	Percentage	Burlington	Halton Hills	Milton	Oakville
Apartment	2,258	60.3%	662	76	134	1,386
Townhouse	534	14.3%	44	93	285	112
Semi-detached	4	0.1%	0	0	0	4
Single-detached	947	25.3%	95	78	302	472
Total Units	3,743		801	247	721	1,974
Local Municipal Share (%)			21.4%	6.6%	19.3%	52.7%

Source: CMHC Starts and Completions Survey, 2022-2023

Future Housing Mix

Region-wide, there were 6,445 reported units under construction in 2023 (see Figure 2). Similar to 2022, apartment and townhouse units under construction make up a much larger share (87 percent) than semi and single detached units. Among the area municipalities, Milton and Oakville had a much larger share of units under construction, suggesting an increase in completions in years to come. Halton Hills saw a decline in both the number and share of units under construction, compared to 2022, which may be a result of the Trafalgar Square (Humberstone) development, and the AMICO development on Mill Street in Georgetown no longer being reported as under construction. Noted units under construction in Figure 2 for Halton Hills are likely tied to projects in Georgetown South, including townhouses in the Remington Homes (Halton Hills Village Homes Inc. Phase 6) housing block.

Housing starts in Halton (meaning those units planned, but not yet under construction) were also reported on. Region-wide, 54 percent of starts were apartments in 2023, while 33 percent were townhouses. In 2023, 87 per cent of starts were either apartment or townhouse, up from 74 percent in 2022, signaling a shift towards higher density in new housing construction. In Halton Hills, 38 of the 61 starts reported in 2023 were townhouse, marking a similar trend to what was reported in 2022. Active and potential development applications in both intensification areas and designated greenfield areas, including Vision Georgetown, should help increase the number of reported housing starts in the future.

Figure 2 – Halton Region Housing under Construction, 2023

	Halton Region	Percentage	Burlington	Halton Hills	Milton	Oakville
Apartment	4,103	63.7%	240	0	947	2,916
Townhouse	1,501	23.3%	239	66	744	452
Semi-detached	36	0.6%	30	2	2	2
Single-detached	805	12.5%	104	37	205	459
Total Units	6,445		613	105	1,898	3,829
Local Municipal Share (%)			9.5%	1.6%	29.4%	59.4%

Source: CMHC Starts and Completions Survey, 2022-2023

Housing Costs

The average price of a new build in Halton Region was \$840,453 in 2023, down 7 percent from \$900,699 in 2022 (see Figure 3). In 2023, apartments made up a far greater proportion (56 percent) of new home sales compared to 2022 (37 per cent). In contrast the proportion of single-detached new homes sales dropped from 40 per cent in 2022 to 25 per cent in 2023. The rise in both apartment and townhouse new home sales and decline in semi and single-detached sales has likely contributed to the overall drop in average new home price. With a greater share of units under construction and housing starts being apartments and townhouses, there is potential Region-wide for a continued drop in average new home prices moving forward.

The average price of a resale home in Halton Region was \$1,241,143 in 2023, down 9 percent from \$1,358,314 in 2022. Unlike the changing proportion of new home types being sold, resales looked very similar from 2022 to 2023, with single detached sales, again, making up over 50 percent of the total. The overall average price in Halton Region also dropped 11 percent from \$1,287,044 in 2022 to \$1,139,190 in 2023. Overall (new and resale combined) home sales saw more apartments and fewer semi and single-detached homes being sold in 2023. This may help explain the overall drop in average home prices.

Figure 3 – Halton Region Home Sales by Average Price, 2023

Unit Type		New	Resale	Total
Apartment	# of Units	1,343	1,239	2,582
	Average Price	\$ 502,083	\$ 728,463	\$ 610,714
Townhouse	# of Units	451	1,813	2,264
	Average Price	\$ 882,058	\$ 956,765	\$ 941,883
Semi-detached	# of Units	22	386	408
	Average Price	\$ 866,233	\$ 1,054,289	\$ 1,044,149
Single-detached	# of Units	590	3,612	4,202
	Average Price	\$ 1,577,908	\$ 1,579,712	\$ 1,579,459
Total Sales	# of Units	2,406	7,050	9,456
	Average Price	\$ 840,453	\$ 1,241,143	\$ 1,139,190

Source: MPAC Sales Data, 2022-2023

In Halton Hills, the average price of a new build was \$1,044,882 in 2023, up (5 percent) from \$995,668 in 2022 (see Figure 4). The slight increase is likely due in part to a comparable number of completions from 2022 to 2023, and a balanced mix of housing forms, of which one third was single-detached units.

The average price of a resale home, locally, was \$1,102,906 in 2023, down 12 percent from \$1,260,438 in 2022. This drop represents the first decrease in resale home prices since 2018. Among the area municipalities, Halton Hills had the highest average new home price, and second highest average resale price (next to Oakville). This is likely due in part to the other municipalities building more apartments and townhouses, which are typically sold at a lower price (new and resale) than semi and single-detached

homes. Of note in 2023, is that Halton Hills had a much smaller gap (4 percent) between new and resale home prices, compared to the other municipalities. Burlington (44 percent), and Oakville (43 percent) had much larger gaps between new and resale home prices. A limited supply of apartments that are new completions or under construction may help explain this.

Figure 4 – Halton Hills Average Home Sales, 2018-2023



Data source: MPAC Sales Data, 2019 - 2023

Housing Affordability

Halton Region’s Housing Model is used to generate thresholds for affordable home purchase prices on an annual basis. In 2023, for 1-2 person households this was set at \$363,800; and \$709,800 for 3 person or more households. An average between the two is then generated and used as the Affordable Threshold seen in the State of Housing Report.

In Halton Region, the Affordable Threshold for all home sales was \$531,900 in 2023, up from \$496,300 in 2022. The number of new home sales under this threshold was 932 (see Figure 5), which was just over 37 percent of new home sales in Halton. Compared to 2022, the number of new apartment and townhouse unit sales increased, while the number of new single-detached home sales dropped. This likely contributed to Halton Region exceeding the target of 30 percent of new home sales under the Affordable Threshold in 2023. Based on the high amount of apartment units currently under construction (see Figure 2), it is likely that the 30 percent target could continue to be achieved in the coming years.

Figure 5 – Halton Region Affordable Unit Sales, 2023

	Below \$541,900		\$541,900 to \$1,000,000		Above \$1,000,000	
	New	Resale	New	Resale	New	Resale
Apartment	932	235	408	873	3	131
Townhouse	0	32	345	1217	106	564
Semi-detached	0	2	22	164	0	220
Single-detached	0	0	44	446	546	3166
All Units	932	269	819	2700	655	4,081

Source: MPAC Sales Data, 2022-2023

The 2023 State of Housing Report did not report on units sold under the Affordable Threshold by area municipality.

Rental Housing

The rental vacancy rate for Halton Region for all available apartments and townhouses was 1.6 percent in 2023, up slightly from 1.2 percent in 2022. Annual vacancy rates for Halton continue to fall below 3 percent, which the Canadian Mortgage and Housing Corporation (CMHC) deems healthy for a municipality. The number of total rental units reported in Halton Region in 2023 (16,299) dropped about 3 percent from reported in 2022 (16,822). Among the area municipalities, Burlington, Milton and Oakville all saw their vacancy rates rise (as seen on page 17 of the State of Housing Report). Due to data reliability issues (find more information [here](#)), the 2023 State of Housing Report did not provide a vacancy rate for Halton Hills. The report does provide a 5-year average for Halton Hills, which is comparable to the other area municipalities.

Figure 6 – Vacancy Rates by Municipality, 2019-2023

Municipality	2019	2020	2021	2022	2023	Five Year Average
Burlington	1.7%	2.0%	1.2%	1.2%	1.6%	1.5%
Halton Hills	1.5%	1.9%	0.7%	2.8%	n/a*	1.7%
Milton	1.6%	0.9%	1.5%	0.6%	2.4%	1.4%
Oakville	2.2%	3.0%	2.0%	1.0%	1.6%	2.0%
Halton Region	1.8%	2.3%	1.4%	1.2%	1.6%	1.7%

Source: 2024 CMHC Rental Market Report *Suppressed and not published by CMHC due to unreliability of data

The average monthly rent for all unit types (private rental market including purpose-built) in Halton Region was \$1,788 in 2023, up 5.5 percent from 2022. Locally, Halton Hills reported having 437 rental units, with an average monthly rent of \$1,155 in 2023. The number of rental units dropped by 336, compared to what was reported in 2022, while the average monthly rent also dropped by \$230. Future high density development projects, including in the Georgetown GO Station Area (1 Rosetta development) and Destination Downtown (McGibbon development) areas do have the potential to increase the number of rental units locally.

Affordable Housing in Halton Hills

The Town continues to make progress towards ensuring that housing is accessible to all residents at any age and stage in life. This progress recognizes the Town's relatively limited scope in delivering affordable housing versus Halton Region and other levels of government, and the Region's role as the service provider of affordable housing. Locally, the following active development projects are intended to add affordable housing units:

- 17 Guelph Street (Georgetown): This project will deliver 12 affordable housing units. It is currently in the final stages of receiving full development approval.
- 47 Maria Street (Acton): A project that will deliver 12 affordable supportive housing units. Full development approvals have been received and the project is currently under construction.
- 37 King Street (Georgetown): A Habitat for Humanity-led project that is currently contemplating an intensified concept to deliver up to 15 affordable units. The project is currently in the planning stages where development approvals will be required in order to proceed.

The Halton Hills [Community Improvement Plan](#) (CIP) includes the Tax Increment Equivalent Grant (TIEG) Program: Affordable Rental Housing. This program offers a grant for 100% of the annual municipal tax increments over the agreed base assessment of the affordable units for a maximum of 10 years. More details on how projects qualify for this program can be found in the [CIP](#).

STRATEGIC PLAN ALIGNMENT:

This report identifies a thriving economy as one of the Town's Strategic priorities.

By reviewing and reporting on the Halton Region 2023 State of Housing Report, Town staff are keeping informed on local and regional housing trends in an effort to promote higher density and affordable housing options in Halton Hills.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Staff from Economic Development were consulted in preparation of this report.

FINANCIAL IMPLICATIONS:

This report is administrative in nature and does not have any financial implications.

Reviewed and approved by,

Bronwyn Parker, Director of Planning Policy

John Linhardt, Commissioner of Planning & Development

Chris Mills, Chief Administrative Officer