

Housing Needs Assessment

Halton Hills Official Plan Review

March 24, 2025



Affordable Housing Definition: Provincial Planning Statement

- **Affordable Ownership – the least expensive of:**
 - housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low- and moderate-income households; or
 - housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the municipality;
- **Affordable Rental – the least expensive of:**
 - a unit for which the rent does not exceed 30 percent of gross annual household income for low- and moderate-income households; or
 - a unit for which the rent is at or below the average market rent of a unit in the municipality.
- **Low- and Moderate-Income Households (Provincial Policy Statement):**
 - Households with incomes below the 6th income decile for All Households (ownership) and Renter Households (rental).

Affordable Housing Thresholds in Halton Region

- Ownership Housing:
 - Income based approach, with homes valued at or under \$535,000 determined to be 'affordable'
- Rental Housing:
 - Market based approach, with rents ranging from \$1,243 for a studio unit to \$1,864 for a three-bedroom unit determined to be 'affordable'

90% of the average purchase price	Burlington	Halton Hills	Milton	Oakville
Detached	\$1,269,000	\$1,206,000	\$1,161,000	\$1,710,000
Semi Detached	\$855,000	\$774,000	\$918,000	\$1,053,000
Row/Townhouse	\$774,000	\$702,000	\$801,000	\$981,000
Condominium Apartment	\$621,000	\$612,000	\$576,000	\$711,000

	Burlington	Halton Hills	Milton	Oakville
Income Based	\$474,300	\$535,400	\$524,600	\$564,100

Average Market Rent	Burlington	Halton Hills	Milton	Oakville
Bachelor Unit	\$1,192	\$1,243	\$1,243	\$1,299
1 Bedroom Unit	\$1,621	\$1,623	\$1,451	\$1,680
2 Bedroom Unit	\$1,831	\$1,176	\$1,626	\$1,989
3+ Bedroom Unit	\$1,819	\$1,864	\$1,864	\$2,096

	Burlington	Halton Hills	Milton	Oakville
Income based	\$2,280	\$2,160	\$2,920	\$2,610

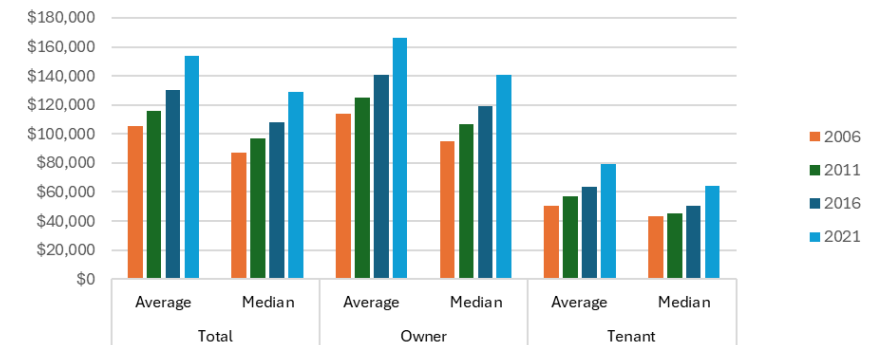
Incomes in Halton Hills

- Incomes have been growing, albeit slower than home prices and rents
- Owners earn significantly more than renters – both on average and consistently across all income deciles
- Renter incomes have increased more rapidly between 2016 and 2021
- Affordability thresholds for all decile groups displayed (rents and purchase price)

Household Incomes by Decile Group & Estimated Affordability Thresholds, Halton Hills					
Decile Group		All Households Income (2024 estimate) *	Renter Household Income (2024 estimate) *	Affordable Purchase Price**	Affordable Rental Rate (monthly)***
Low Income	1st	\$46,400	\$25,800	\$197,300	\$645
	2nd	\$72,700	\$30,500	\$309,200	\$763
	3rd	\$97,300	\$43,200	\$413,800	\$1,080
Moderate Income	4th	\$122,000	\$54,900	\$518,900	\$1,373
	5th	\$147,800	\$69,000	\$628,600	\$1,725
	6th	\$174,800	\$88,600	\$743,500	\$2,215
High Income	7th	\$206,400	\$104,400	\$877,900	\$2,610
	8th	\$246,300	\$129,000	\$1,210,000	\$3,225
	9th	\$314,300	\$168,900	\$1,544,000	\$4,223

Source: Statistics Canada Custom Cut Data.
 * - Incomes based on 2021 Census, inflated using Consumer Price Index change (Ontario) to estimate 2024 incomes.
 ** - Assumes 30% of gross income is available for accommodation costs. Accommodation costs include mortgage (25 years, 4% fixed 5-year rate, 5% downpayment, 0.9% property tax payment, 4.0% of loan amount for CMHC mortgage insurance).
 *** - Assumes 30% of gross income is available for monthly rent.

Gross Household Incomes by Tenure

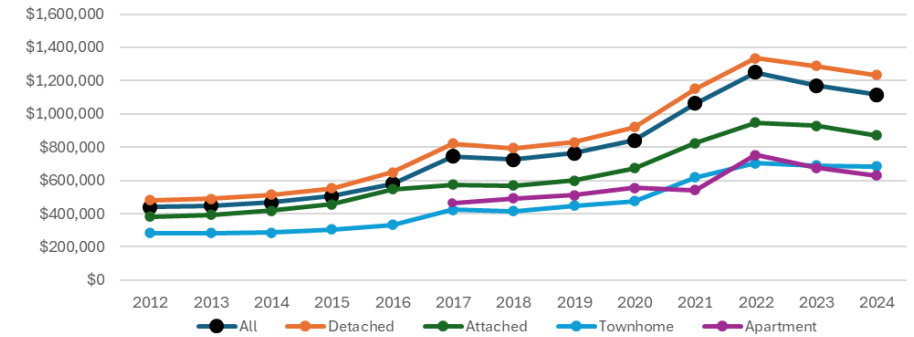


Source: CMHC Housing Portal.

Ownership Housing Market

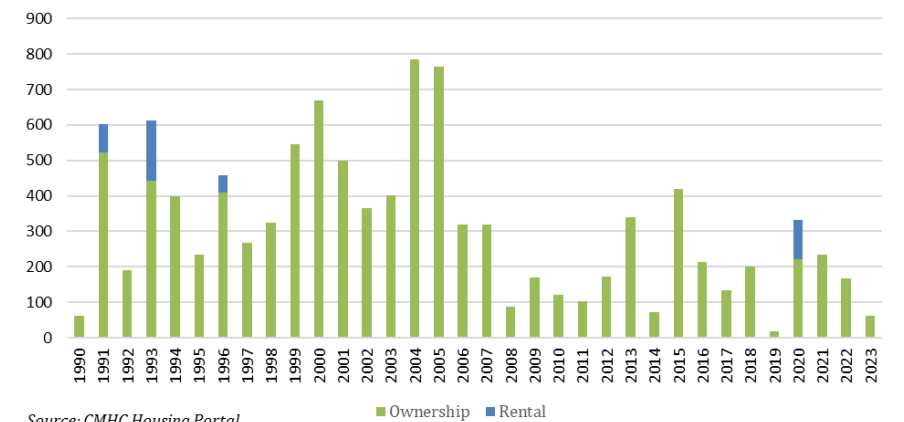
- Housing development in Halton Hills has been dominated by ownership (e.g., freehold, condominium) homes
- Very little new rental housing built over the past thirty years
- Following trends across the Province:
 - Home values in the Town began to increase for all housing types in 2019, with rapid increases occurring in 2021 and 2022.
 - Single-family homes appreciated the quickest, with apartments and townhomes experiencing more modest appreciation
- Elevated interest rates, inflation, and other factors have resulted in home values decreasing/moderating over the past two years
 - However, affordability has not improved given higher mortgage costs
- Rising home prices are driven by many factors (e.g., low interest rates, FOMO, buyer sentiment) but also imbalance between supply and demand

Mid-Year Benchmark Housing Prices by Typology, Halton Hills



Source: Toronto Regional Real Estate Board

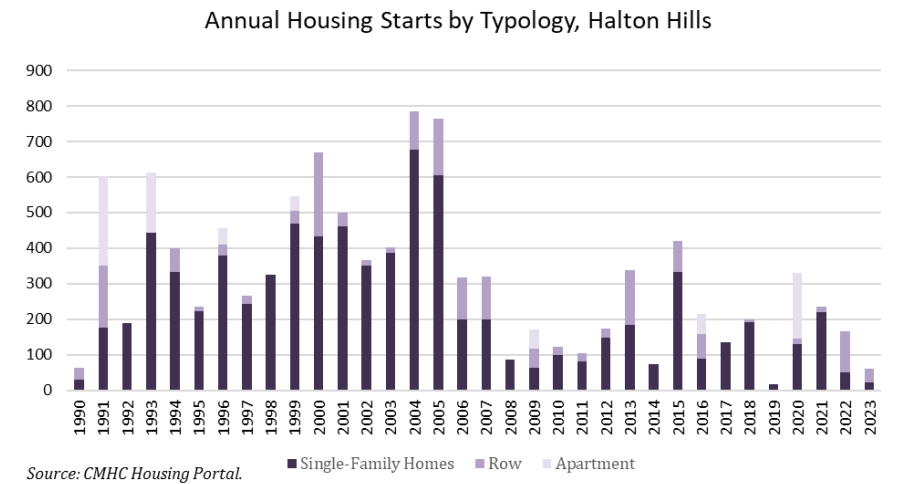
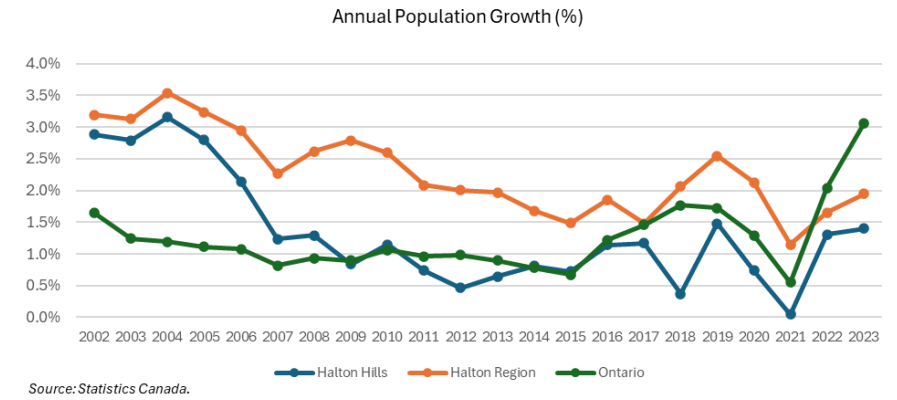
Annual Housing Starts by Tenure, Halton Hills



Source: CMHC Housing Portal.

Population and Housing Growth

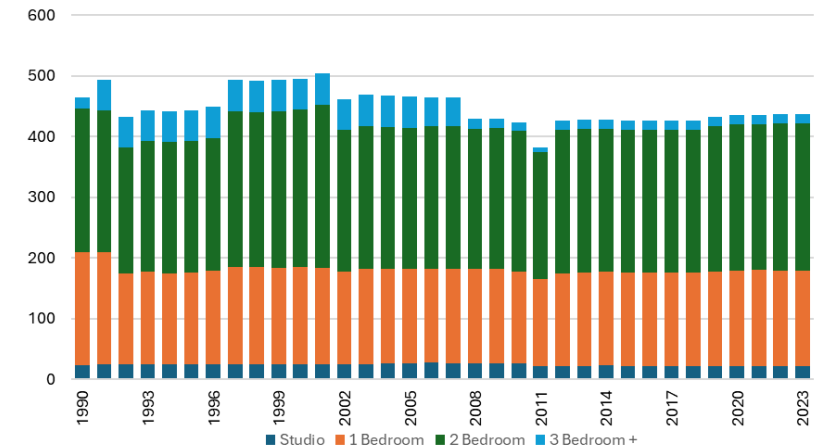
- Halton Hills experienced strong population growth throughout the 1990's and early 2000's, supported by a strong supply of single-family homes
- Since 2006, the supply of low-density housing declined significantly alongside a slowdown in population growth
- Since 2006, the Town's growth has lagged both the Region and the Province
- More recently, the share of row (and to a lesser degree, apartment) housing has grown, but single-family homes remain the primary housing type supplied by the market
- Overall growth has remained modest since 2006



Rental Housing Market

- Lack of rental housing built over past decade. Overall, the rental supply in the Town has decreased since 1990
- Vacancy has fluctuated widely, but is currently well below 3% - CMHC estimates there is no vacancy as of 2024
- This indicates a lack of availability for those looking to rent
- As a result, average rents in Halton Hills have been accelerating quickly and well beyond inflation since 2018
- Rental demand is accelerating for a variety of factors (e.g., eroding ownership affordability, elevated interest rates, lifestyle reasons)
- Lack of new rental housing is a significant housing gap, across all affordability levels

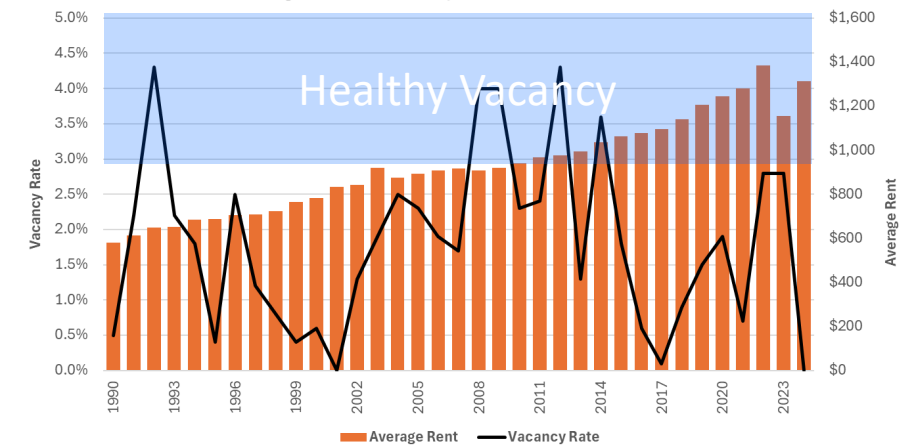
Rental Universe, By Unit Type, Halton Hills



Source: CMHC Housing Portal.

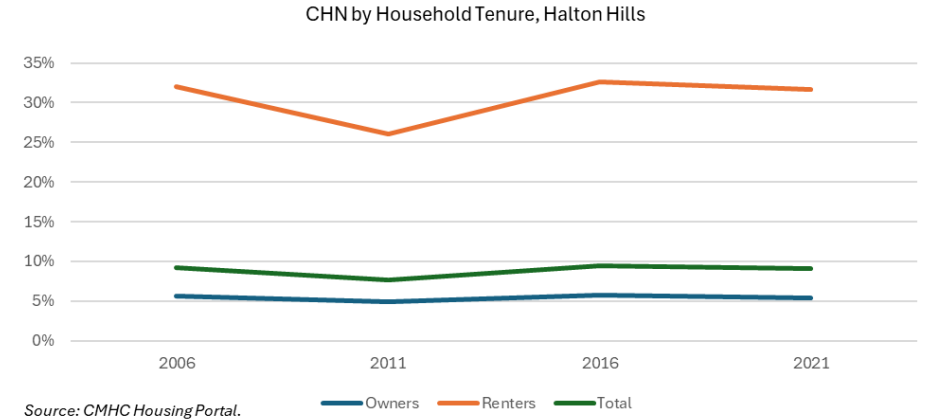
* - Administrative adjustment in unit totals result in lower than listed in the Portal prior to 2023.

Average Rents & Vacancy Rates, Town of Halton Hills



Core Housing Need (CHN)

- CHN is defined as households living in unaffordable, unsuitable, or inadequate housing, and are unable to afford alternative, local housing that meets these standards
- Renters are far more likely than owners to be in CHN
- Current affordable housing deficit in the Town of nearly 2,000 rental homes, mostly for low and very-low income groups
- Needs differ across income groups:
 - Very low-income groups primarily require studio/one-bedroom homes
 - Need is broader for low- and moderate-income groups (studio/one-bedroom to larger family size homes)
- Certain groups tend to be in CHN (e.g., seniors, single parents, indigenous households, new immigrants)



Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income (\$630)	480	70	0	0	0	550
Low Income (\$1575)	475	475	180	130	40	1,300
Moderate Income (\$2520)	0	0	0	30	40	70
Median Income (\$3780)	0	0	0	0	0	0
High Income (>\$3780)	0	0	0	0	0	0
Total	955	545	180	160	80	1,920

Source: HART Housing Needs Assessment Tool.

Affordability Gaps

Ownership Housing Affordability Gaps

			Ownership Housing Affordability Gap Analysis, Halton Hills								
Income Decile			1	2	3	4	5	6	7	8	9
Household Income (2024 Estimate)			\$60,500	\$88,600	\$113,800	\$139,600	\$164,200	\$190,000	\$220,500	\$258,000	\$328,400
Affordability Threshold			\$197,000	\$309,000	\$414,000	\$519,000	\$629,000	\$743,000	\$878,000	\$1,210,000	\$1,544,000
Housing Type	Purchase Price										
Average Resale Price											
Condo Apartment	2B	\$663,000									
	1B	\$583,000									
Condo Townhouse	2B	\$658,000									
	2B*	\$904,000									
Freehold Townhouse	3B	\$879,000									
	2B	\$992,000									
	3B	\$1,106,000									
Detached & Semi-Detached	3B	\$1,106,000									
	4B+	\$1,393,000									
Average New Sale Price											
Condo Apartment	1B	\$700,000									
	2B	\$825,000									
	3B	\$1,100,000									
Townhouse	2B	\$905,000									
	3B	\$1,009,000									
Detached & Semi-Detached	2B	\$1,251,000									
	3B	\$1,341,000									
	4B+	\$1,346,000									

Source: Toronto Real Estate Board's Multiple Listings Service.
* Sample size less than 10, but at least 5.

	Unaffordable
	Affordable

Rental Housing Affordability Gaps

			Rental Housing Affordability Gap Analysis, Halton Hills								
Income Decile			1	2	3	4	5	6	7	8	9
Renter Household Income (2024 Estimate)			\$25,800	\$30,500	\$43,200	\$54,900	\$69,000	\$88,600	\$104,400	\$129,000	\$168,900
Affordability Threshold			\$645	\$763	\$1,080	\$1,373	\$1,725	\$2,215	\$2,610	\$3,225	\$4,223
Housing Type	Monthly Rent										
CMHC Average Market Rent											
80% CMHC AMR*	1B	\$1,298									
	2B	\$941									
	3B	\$1,491									
CMHC AMR*	1B	\$1,623									
	2B	\$1,176									
	3B	\$1,864									
Private Rentals											
Basement Apartment	1B**	\$1,855									
	2B	\$1,995									
Condominium Apartment	1B***	\$1,645									
	2B***	\$2,585									
Older Townhome	2B**	\$2,665									
	3B	\$2,905									
Newer Townhome	2B**	\$2,825									
	3B	\$3,225									
Older Single/Semi-Detached	1B**	\$1,920									
	2B	\$2,475									
	3B	\$3,050									
	4B+	\$3,840									
Newer Single/Semi-Detached	1B***	\$1,700									
	2B**	\$2,350									
	3B	\$3,260									
	4B+	\$4,030									
Purpose-Built Rentals											
Older Apartment	1B	\$2,020									
	2B	\$2,370									
	3B	\$3,275									

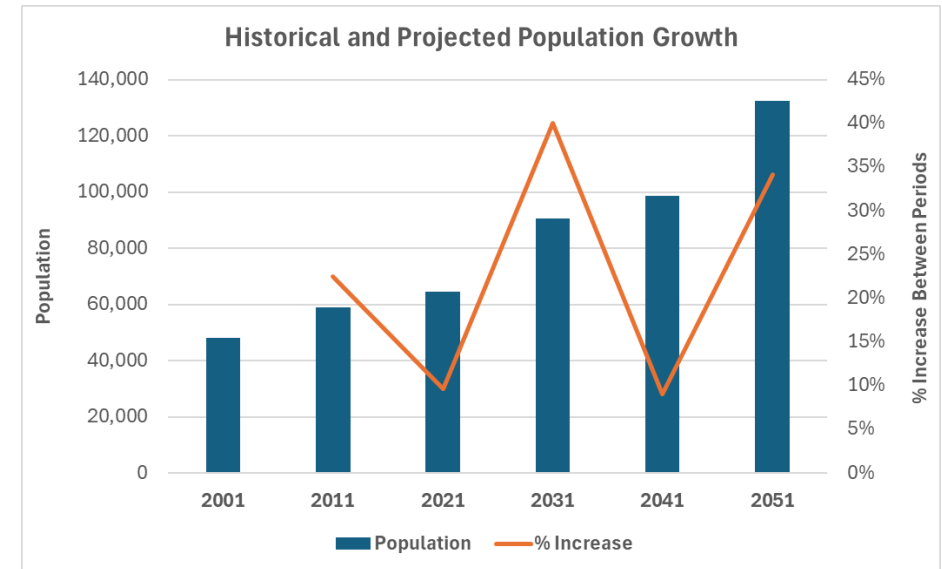
Source: Toronto Real Estate Board's Multiple Listings Service
* - Due to suppressed CMHC rental data, AMR for 1-bedroom and 3-bedroom units was taken from Ontario's Affordable Housing Bulletin.
** - Sample size less than 10, but at least 5.
*** - Sample size less than 5.

	Unaffordable
	Affordable

Projected Growth

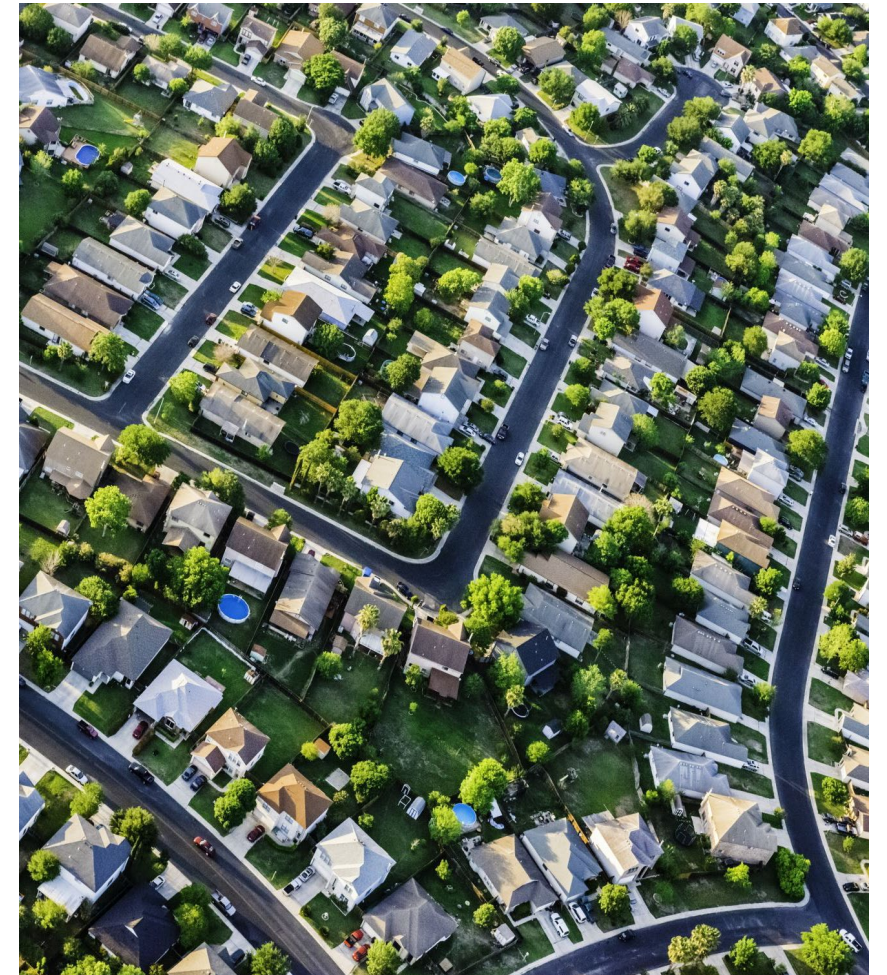
- As illustrated, the Town is planning to add nearly 25,000 homes by 2051.
 - To 2031, growth is expected to primarily occur through ground related housing, following historical trends. However, a higher share of apartments is also expected
- To achieve these forecasts, many factors must be realized including land availability, servicing and infrastructure investments, a favourable market environment, and others

Halton Hills Population and Housing Growth							
	2021	2031	2041	2051	2021 to 2031 Change	2031 to 2041 Change	2041 to 2051 Change
Population	64,684	90,596	98,771	132,533	25,912	8,175	33,762
Units	21,736	31,498	34,254	46,670	9,762	2,756	12,416



Key Findings

- There are very few housing options in the market for moderate income households
- There is an acute shortage of rental housing in the Town
- Rental rates have been rising rapidly (most options exceeding \$2,000)
- Renter households are more likely than owner households to be in CHN
- The supply of ownership housing is also not meeting demand
- The Town's ownership housing stock has experienced significant price growth over the last decade
- The supply of new ownership housing has been focused on higher-income households and largely delivered through single-family homes
- The Town's population is aging
- A lack of affordability in the ownership market is driving 'would-be' purchasers to the already constrained rental market
- There is a considerable shortage of nearly 2,000 affordable units
- The Town is projected to grow considerably in the coming decades



Next Steps

- Based on the findings of the Housing Needs Assessment, NBLC will now develop a **Housing Strategy** that will inform the Official Plan Review and other Town programs and efforts (e.g., incentive, public land programs)
- The Housing Strategy will provide a menu of options the Town can consider for addressing the housing needs and forecasted growth. Strategies will include items that fall both within (e.g., policy) and outside (e.g., incentive and land programs) a typical Official Plan Review process
- Also related, we will be conducting a **Growth Capacity Analysis** to corroborate growth projections to 2051

