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# Toronto Housing Market Analysis

From Insight to Action January 2019



CANADIAN CENTRE FOR  
ECONOMIC ANALYSIS

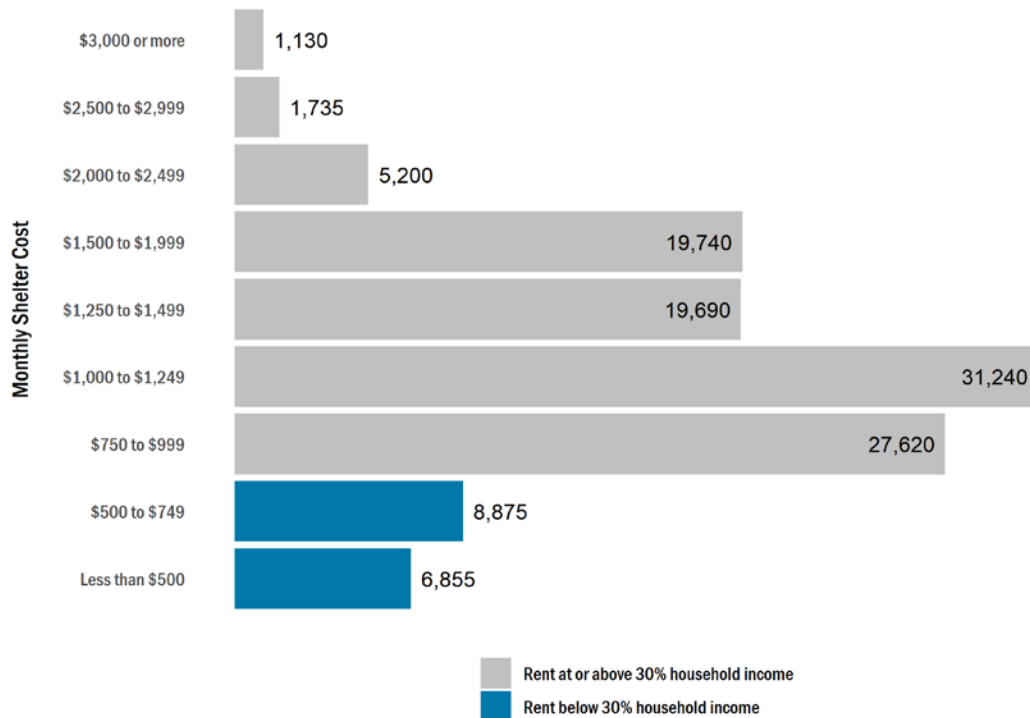


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# About This Report

- Commissioned by the Affordable Housing Office of the City of Toronto in 2018
- Will inform public and stakeholder consultations for the Housing Plan 2020 – 2030
- Comprised of 24 key housing indicators that provide insight into housing market and the challenges residents face under current and projected conditions

# Low-income Renters Live in Unaffordable Units



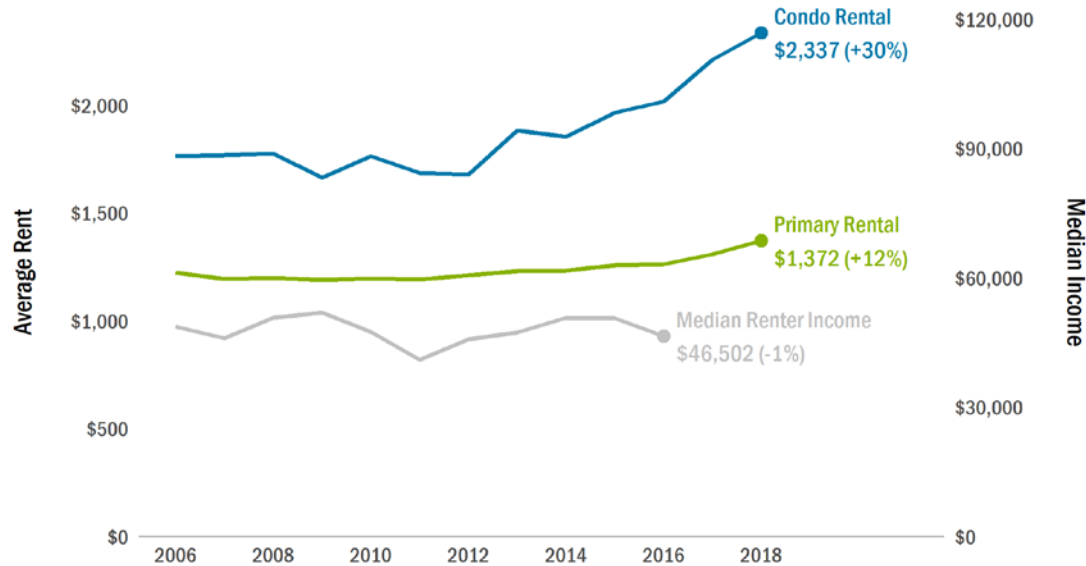
Source: Statistics Canada, 2016 Census of Population

*87% of renter households with pre-tax incomes under \$30,000 were spending more than 30% of their incomes on shelter*

***Number of Renter Households Earning Less than \$30,000 by Monthly Housing Costs***

# Renters are Stuck Waiting to Own

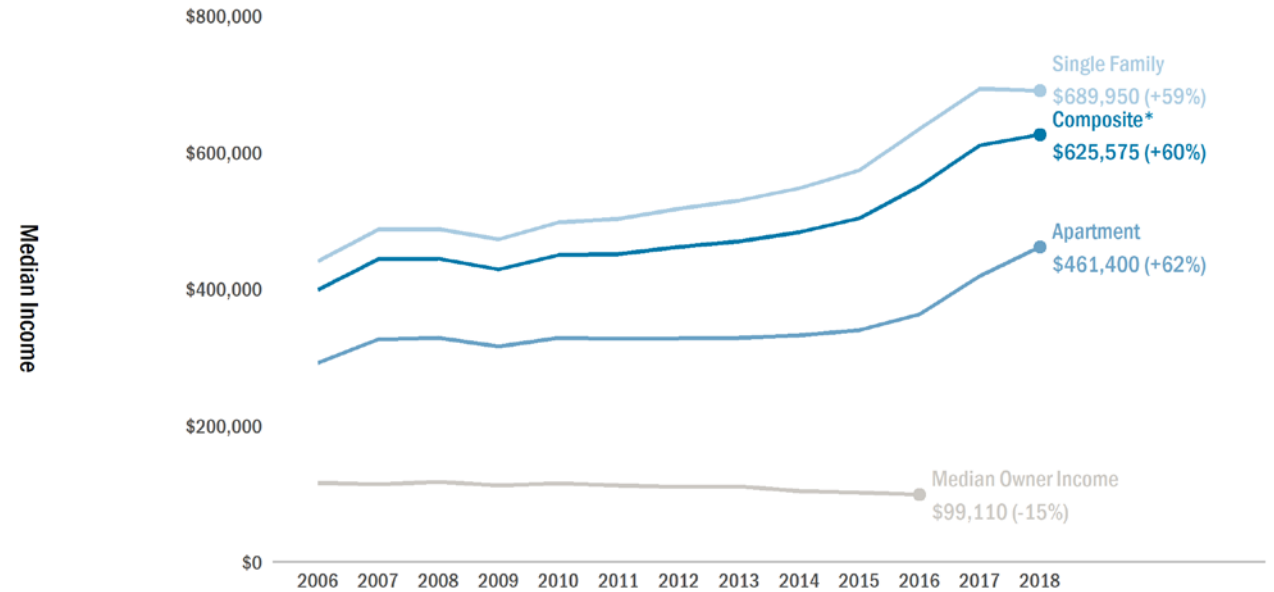
*Prices in the rental & ownership markets are decoupled from income*



Source: Canada Mortgage Housing Corporation, Rental Market Survey; Statistics Canada, Canadian Income Survey 2012-2016, Survey of Labour and Income Dynamics 2006-2011

Figures in 2018 constant dollars; Median income data not available for 2017 and 2018.

*Change in Average Rent and Median Renter Household Income (Before-Tax)*



Source: MLS Home Price Index, 2006-2017; Canada Mortgage and Housing Corporation, Statistics Canada, Canadian Income Survey 2012-2015, Survey of Labour and Income Dynamics 2006-2011

Figures in 2018 constant dollars. Household income is for the Toronto CMA (data not available for 2017 & 2018).

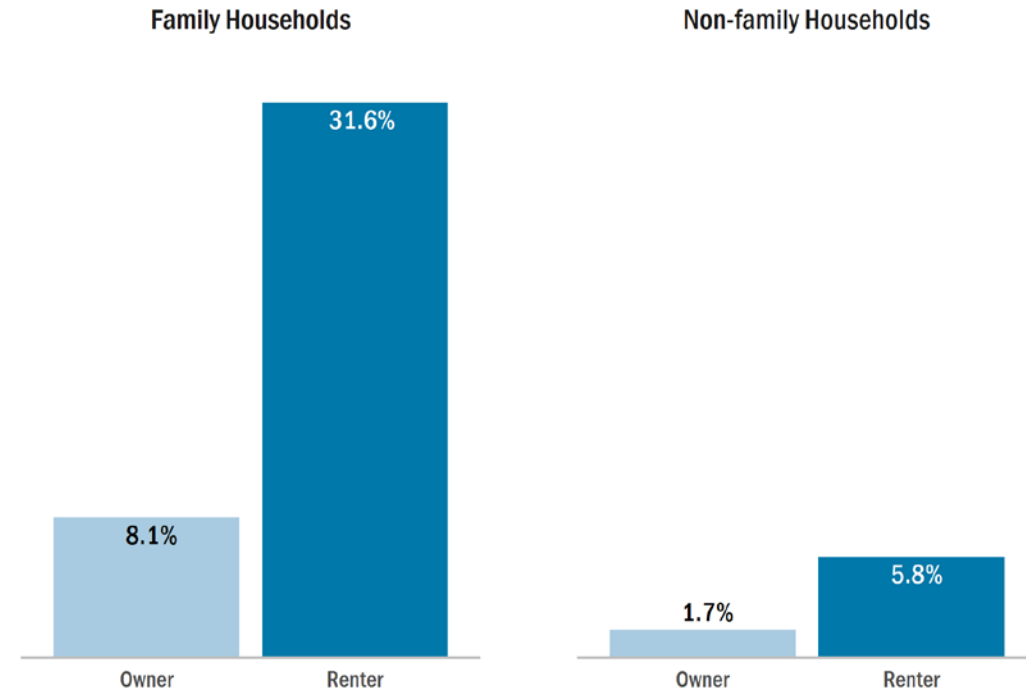
\*Composite home price represents all homes including one and two-storey single family homes, townhouses, and apartments.

*Change in Home Prices and Median Owner Household Income (Before-Tax)*



# People are Living in Unsuitable Conditions

*Nearly one in three renter family households were living in unsuitable housing.*

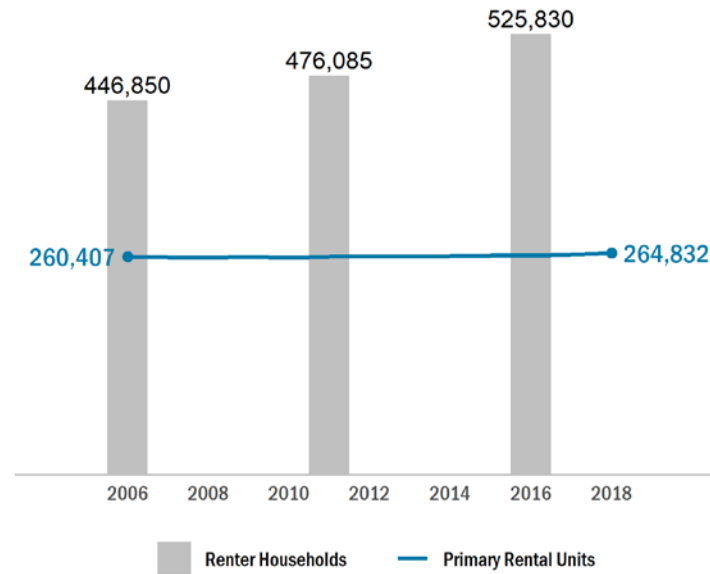


Source: Statistics Canada, 2016 Census of Population

*Percentage of Households in Toronto in Unsuitable Housing by Household Type and Tenure, 2016*

# Significant Shortage of Purpose Built Rental

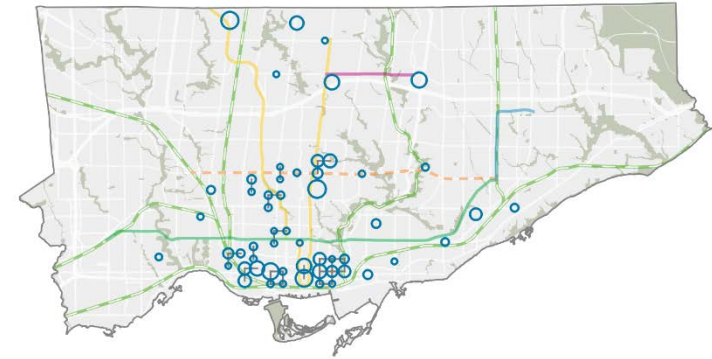
*There is a significant shortage of new purpose-built rental*



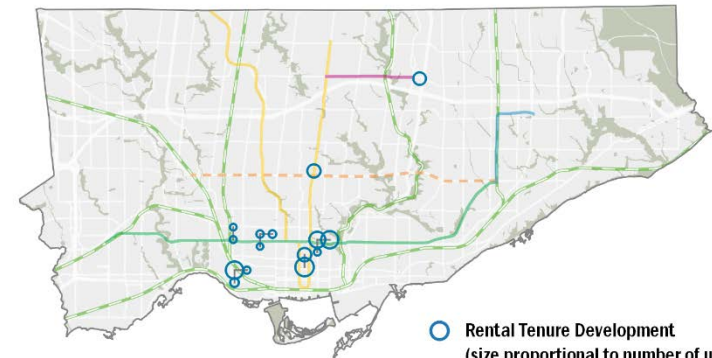
Statistics Canada, 2006 and 2016 Census of Population; Statistics Canada, 2011 National Household Survey, Canada Mortgage and Housing Corporation, Rental Market Survey

*Number of Rental Households and Primary Rental Units in Toronto, 2006 to 2016*

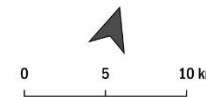
Built Between Jan 1, 2011 and Jan 31, 2018



Under Construction, Jan 31, 2018



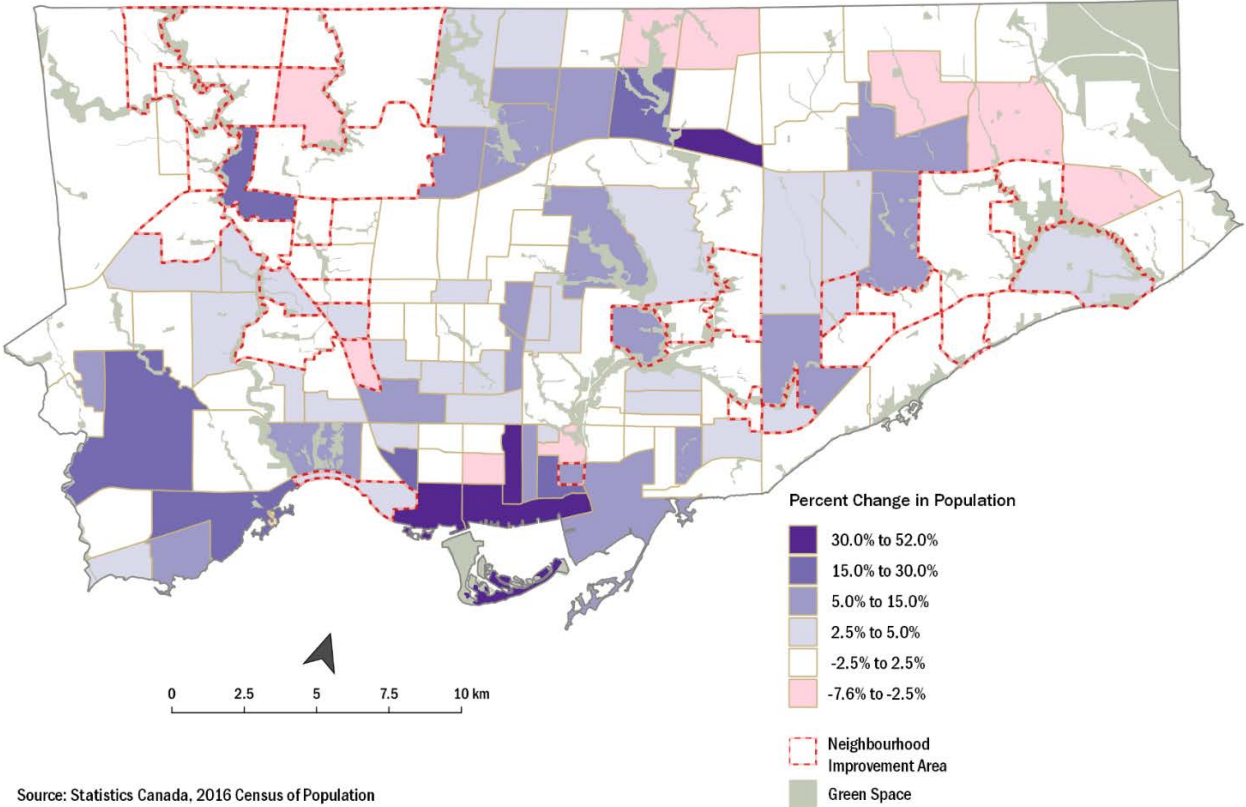
- Rental Tenure Development (size proportional to number of units)
- Neighbourhood Improvement Area
- Green Space
- Eglinton Crosstown (expected completion: 2021)



Source: City of Toronto, Planning Division

*Pipeline for Rental-Only Tenure Developments*

# Many Areas of Population Decline.

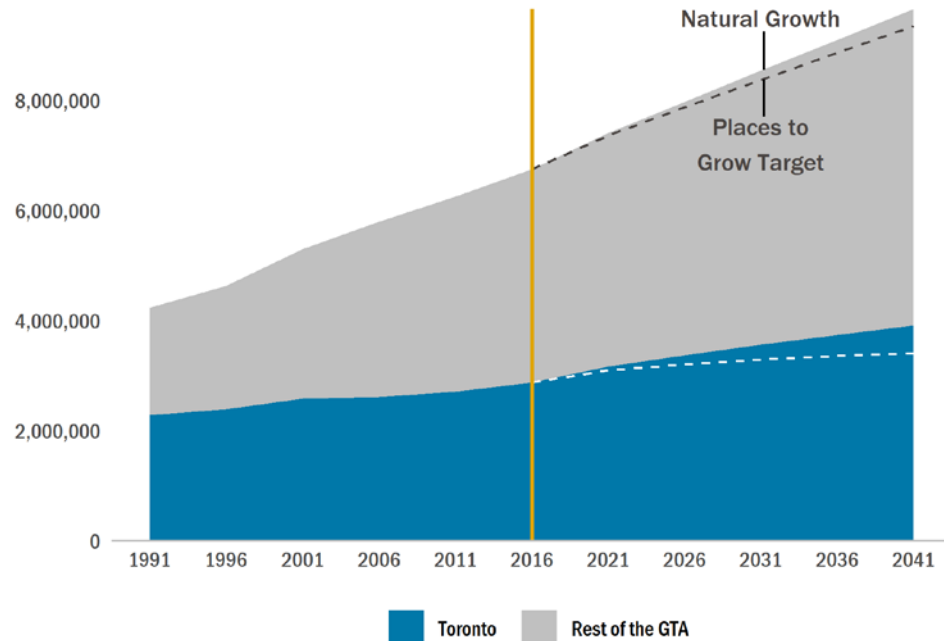


*Large parts of the City's "yellow belt" experienced population decline or very little growth between 2011 and 2016.*

Source: Statistics Canada, 2016 Census of Population

## *Population Change, 2011 to 2016*

# The City's Population Will Grow at a Faster Pace



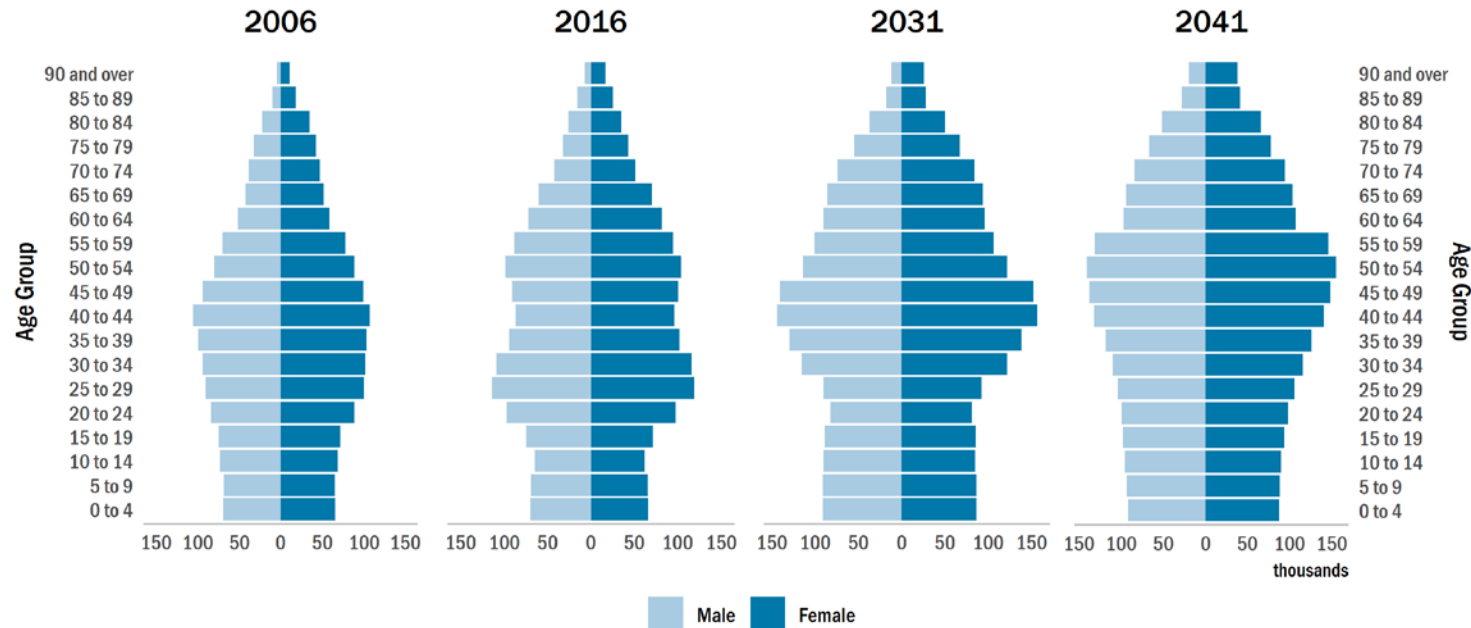
Source: Statistics Canada, 2016 Census of Population; Canadian Centre for Economic Analysis, Prosperity at Risk; Government of Ontario, Growth Plan For the Greater Golden Horseshoe

*By 2041, Toronto's population is expected to grow by more than one million to 3,913,000 people*

***Projected Population Growth in Toronto and the GTA***



# The City's Population will get Older



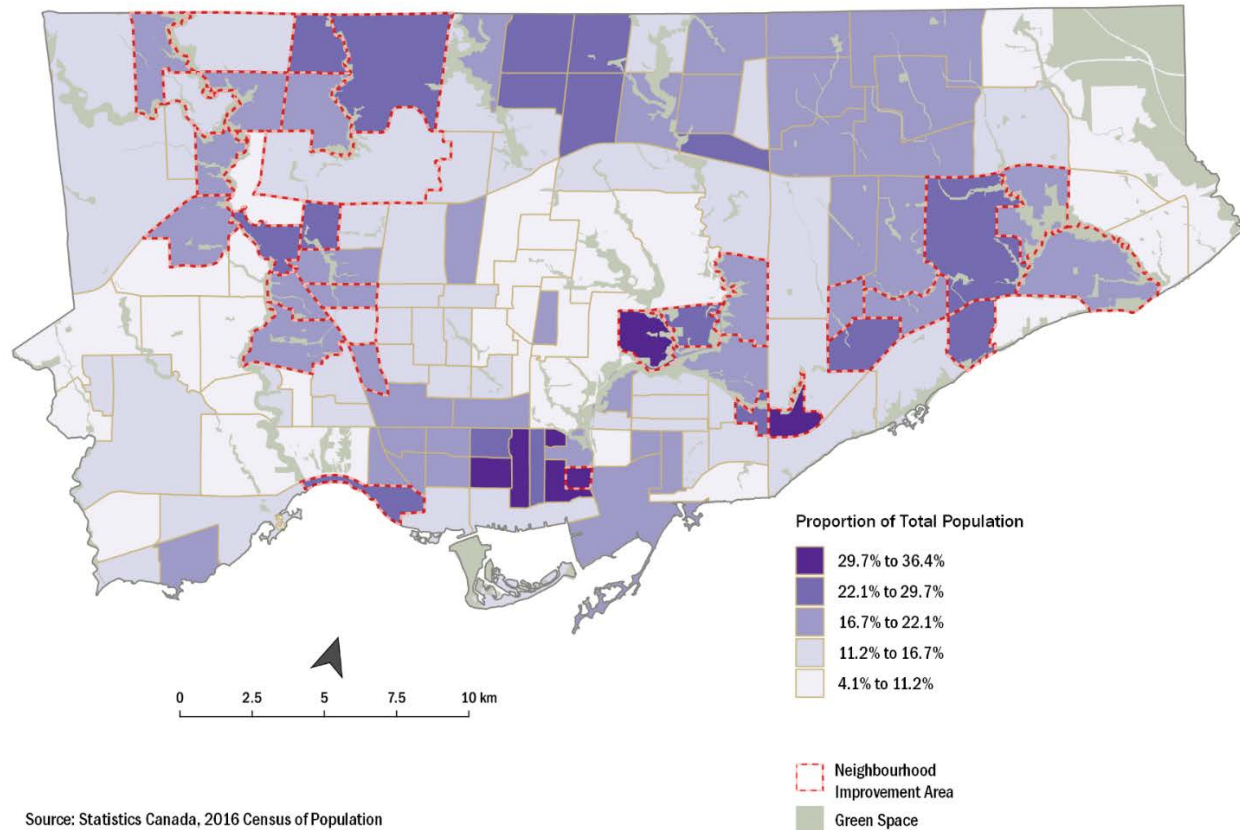
*By 2041, the number of seniors aged 65 and over will grow by 89% to 830,000 people.*

*By 2041, 68,000 will require long-term care. Current long-term care capacity is 14,992 beds.*

Source: Statistics Canada, 2016 Census of Population; Canadian Centre for Economic Analysis, Prosperity at Risk

***Population Distribution by Age and Sex, Toronto 2006, 2016, 2031, & 2041***

# More People will Live in Low-income Households.



Source: Statistics Canada, 2016 Census of Population

*Population Living in Low-Income After Tax (LICO-AT), 2016*

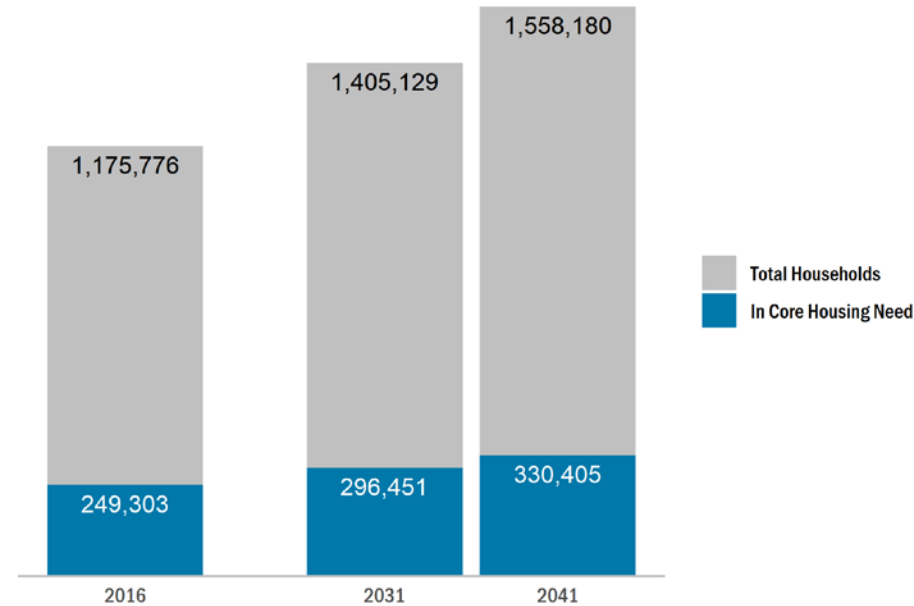
*More people will live in low-income households*

*Projected Population Living in Low-Income After Tax (LICO-AT)*

2016	2031 (% change from 2016)	2041 (% change from 2016)
471,203	542,646 (+15%)	586,592 (+25%)

# More People will be in Core Housing Need.

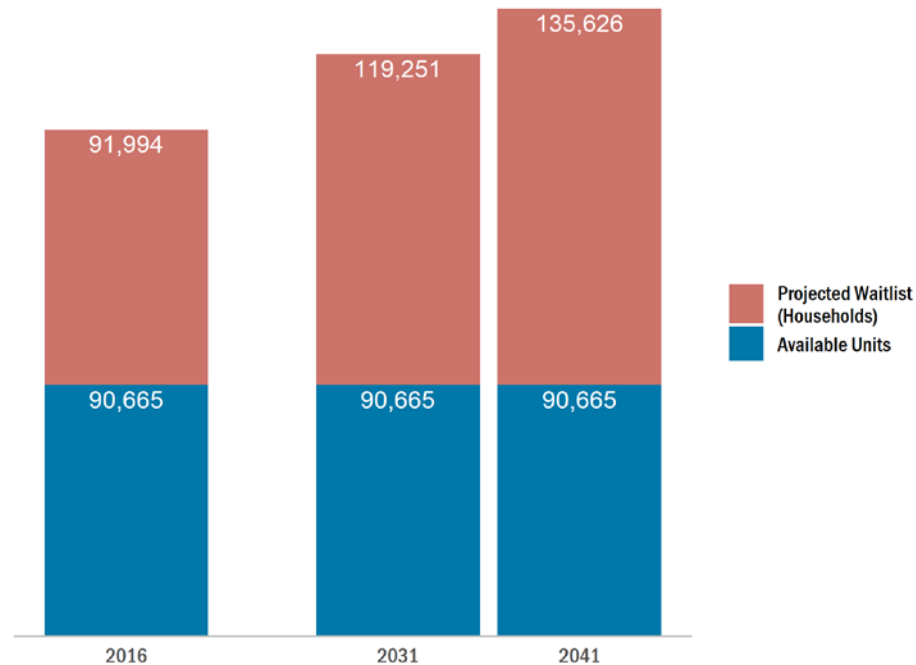
*More people will live in core housing need*



Source: Statistics Canada, 2016 Census of Population; Canadian Centre for Economic Analysis, Prosperity at Risk

***Projected Number of Households (Renters and Owners) in Core Housing Need, 2016 to 2041***

# The Social Housing Waitlist Will Increase Significantly



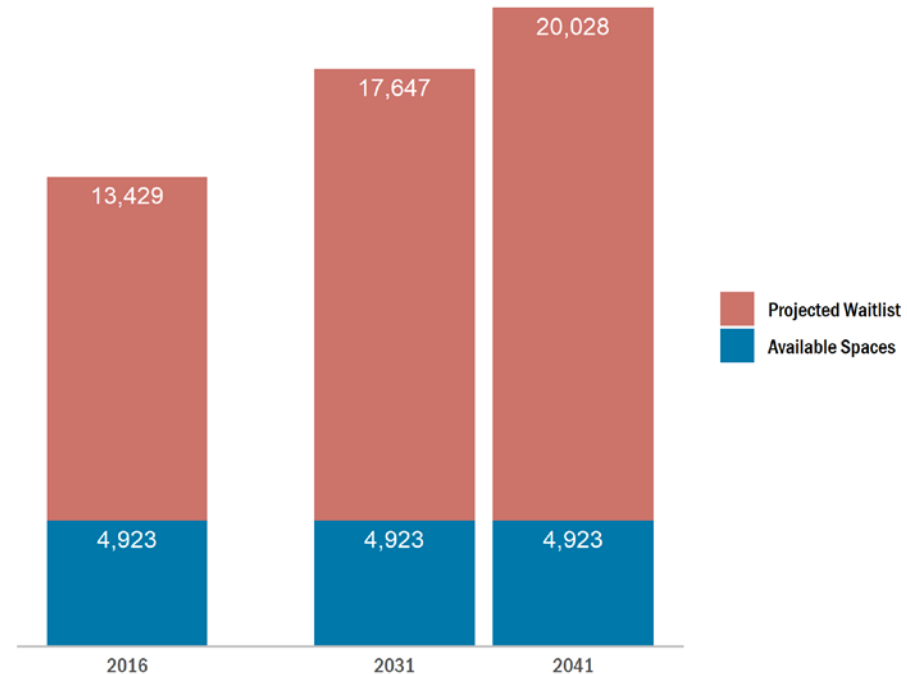
Source: Housing Connections; Canadian Centre for Economic Analysis, Prosperity at Risk

*Projected Number of Households (Renters and Owners) in Core Housing Need, 2016 to 2041*

*The social housing waitlist will continue to surpass the number of available units.*

# Demand for Supportive Housing will Grow Faster Than the Population

*The wait for a rooming house or self-contained supportive housing unit is an average of 5-7 years*



Source: City of Toronto; Suttor (2016). Taking Stock of Supportive Housing for Mental Health and Addictions in Ontario; Canadian Centre for Economic Analysis, Prosperity at Risk

## ***Mental Health & Addictions Supportive Housing Waitlist***



Toronto needs pathways through the housing continuum so that people who are stuck in the housing market can get moving

- 150,000 bedrooms to relieve overcrowding
- New social housing units to relieve the 122,000 households paying more than 30% and often more than 50% on rent
- Affordable ownership units to relieve renters saving decades to own

Toronto needs to address "housing inequity" as experienced by people who do not live in the city core and along transit

Many low-income residents face "housing inequity" as they live in aging high-rise apartment buildings which were primarily constructed some 60 years ago and are at risk of building and system failure.



Toronto needs more supply of both market and affordable rental housing



Toronto needs to collect better data to inform future policies and programs.

## Key data gaps

- rents paid,
- household mobility
- housing stock
- social housing usage

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