

REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, JULY 29, 2020

SUBJECT Housing and Transportation Cost Estimates

ISSUE SUMMARY

A report detailing the analysis of housing and transportation costs in the region for review by the Hospitals and Housing Committee.

BACKGROUND

On April 25, 2018, the Hospitals and Housing Committee directed Capital Regional District (CRD) staff to examine combined housing and transportation costs in the capital region as a measure of overall affordability.

The traditional measure of affordability has focused predominately on the share of pre-tax household income going towards housing costs alone. However, costs associated with transportation are often also very significant for households. When housing and transportation costs are combined it can provide a better indication of the true costs of living in unique areas across a region. The cost estimate study report is provided in Appendix A.

Overall, the study found that the combined housing and transportation costs borne by households vary depending on where they live in the region. [Table 1 of the study](#) provides a breakdown of housing and transportation costs, by municipality. [Map 1 of the study](#) shows the average annual combined housing and transportation costs across the region. The data suggest transportation costs have the potential to impact location choices for households, and that the availability of transportation choice provides for more potential cost savings at a household level.

Other findings include:

- Regardless of level of use, the fixed costs of vehicle ownership are significant.
- Transportation costs tend to be lower in areas where more transportation options are available.
- Housing costs are less pliable and are more moderate in mixed use areas where there is a diversity of housing options.
- Some developing areas in the outer areas of the region show more housing affordability due to land values and availability.
- Lower housing costs are observed in areas where there is significant older stock of apartments and condominiums with longer tenant tenure.

When interpreting the data, it is important to note that average estimated housing costs may not necessarily reflect what a new resident would pay to enter into a long established housing market. Due to price increases and length of tenure or ownership among households, housing cost escalation has created circumstances where households in the same neighbourhood may have substantially different housing costs.

ALTERNATIVES

Alternative 1

The Housing and Transportation Cost Estimates Report be received for information.

Alternative 2

The Housing and Transportation Cost Estimates Report be referred back to staff for additional information based on Committee direction.

IMPLICATIONS

Service Delivery Implications

The findings of this analysis could inform future planning and policy initiatives, such as:

- Using the current findings as a baseline for future monitoring of trends
- Developing a map that identifies location-efficient housing
- Development of local case studies that demonstrate how different housing location decisions impact a household's expenditures
- Explorations of the impact on access to transit in household decisions regarding where to locate within the region

Intergovernmental Implications

The findings of the study could be used by municipalities and electoral areas to inform planning and transportation policy related to the location and density of housing development as well as public and active transit infrastructure.

Regional Growth Strategy Implications

Regional Growth Strategy (RGS) policies speak to the need for closely aligning housing and transportation through land use planning as a means of improving access, equality and affordability. The findings of this study will be used to inform future iterations of the RGS.

Alignment with Board & Corporate Priorities

The findings of this study will help guide CRD actions to achieve Board and Corporate priorities related to housing affordability and transportation planning.

Alignment with Existing Plans & Strategies

The findings of this study and ongoing attention to trends related to the impacts of housing and transportation costs will support the CRD to implement the Regional Housing Affordability Strategy and the Regional Transportation Plan.

CONCLUSION

The cost estimates study provides a baseline on housing and transportation costs in the region and demonstrates that costs differ substantially throughout the region. The results could be used to inform regional and local planning initiatives. The data suggest that transportation costs have the potential to impact location choices for households, and that the availability of transportation choice provides more potential for cost savings at a household level.

RECOMMENDATION

The Housing and Transportation Cost Estimates Report be received for information.

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ATTACHMENT

Appendix A: Housing and Transportation Cost Estimate Study