Our Home, Our Future:
Projections of Rental Housing Demand and Core Housing Need

**CENTRAL COAST REGIONAL
DISTRICT TO 2036**

SEPTEMBER 2012

A vision for sustainable housing in communities across British Columbia

BC Non-Profit Housing Association's vision is that all households in the province have access to safe, secure and affordable housing.

Understanding future demand for housing in BC is critical to realizing our vision, so BCNPHA has created rental housing demand projections and core housing need projections to 2036 for the province as a whole and for each regional district. These estimates will assist the public, private and non-profit sectors in their efforts to plan for affordable housing options that meet the needs of all citizens.

There are 29 regional districts in the province, with boundaries shown in the map below. The Central Coast Regional District is situated in the west.
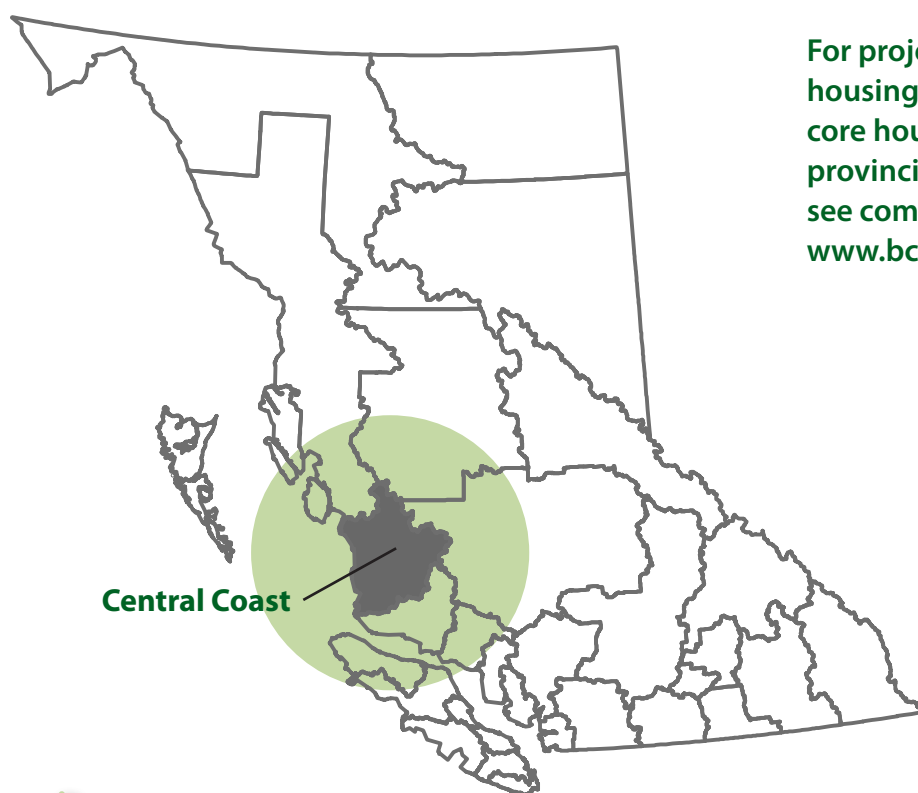
For projections of rental housing demand and core housing need at the provincial level, see complete report at www.bcnpha.ca

Central Coast

highlights

Two demographically driven scenarios were built to project rental housing demand among renter households to 2036. Because data reliability is compromised with small population numbers, projections of core housing need among renters were not built for Central Coast.

Scenario A: Constant Tenure considers how rental housing demand will change if tenure patterns stay constant and age-specific renter household maintainer rates are held at 2006 levels.

Scenario B: Shifting Tenure assumes tenure patterns will follow the trend seen over the preceding decade, to 2036. In many cases this is a shift away from rental and towards ownership.

Both scenarios suggest that rental housing demand will remain quite stable into the future in Central Coast. Rental housing demand is estimated to range between 325 and 363 households in 2036, a decrease of 22 to an increase of 16 households, as seen in Table 1 below. In both scenarios, rental housing demand grows slowly relative to population growth.
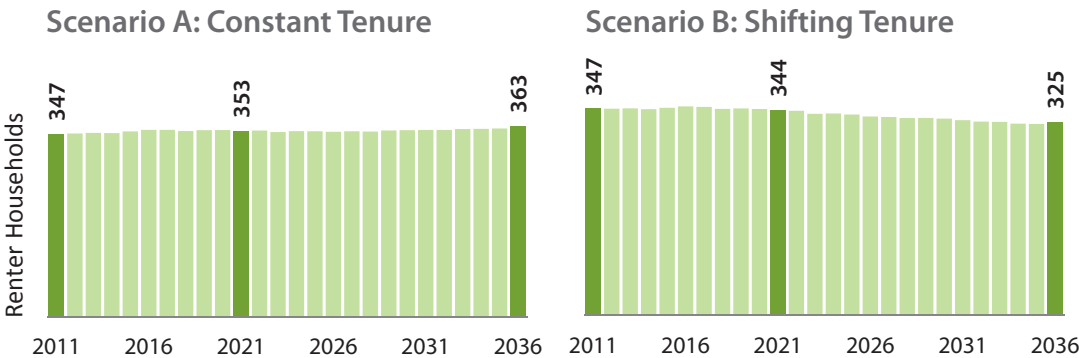

FIGURE 1

Rental Housing Demand (Central Coast, 2011 to 2036)

Year	Scenario A: Constant Tenure	Scenario B: Shifting Tenure
	Rental Demand	Rental Demand
2011	347	347
2021	353	344
2036	363	325
Increase 2011-2036	16	-22

TABLE 1

Rental Housing Demand (Central Coast, 2011 to 2036)

context | **Demographic Drivers**

The projections for rental housing demand in the Central Coast Regional District partly reflect anticipated demographic change in the District. The population is projected to increase by 11%, from 3,236 in 2011 to 3,581 in 2036, as seen in Figure 2.

Between 1986 and 2006 the population increased by 282 people, fluctuating between a 13.6% annual increase and a 4.5% annual decline. Recent growth has averaged around 0.0% annually and is projected to increase to 0.3% in 2036.

Based on 2006 Census data (the most recent available) Central Coast has a young population, with a median age of 37.5, compared to the provincial average of 40.8. Figure 3 shows that by 2036 the population will be older. There will be significant growth in the population of people aged over 65, along with growth in those aged 10 to 34.

By 2036 there will be significant growth in the population over 65 and those aged 10 to 34.

DEFINITIONS

Rental Housing Demand

Rental housing demand is a measure of the number of renter households. Because of potential vacancies in the rental stock and the demand for second homes, rental housing demand does not necessarily equate with demand for units.

Core Housing Need

Canada Mortgage and Housing Corporation defines a household as being in core housing need if "its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30% or more of its before-tax income to pay the median rent of alternative local market housing that meets all three standards." (http://cmhc.beyond2020.com/HiCODefinitions_EN.html)

Household Maintainer Rates

Age-specific household maintainer rates are the percent of the population within a particular age cohort that identifies as a primary household maintainer. This number is useful for calculating the number of households in the region.
Statistics Canada defines the primary household maintainer as the "first person in the household identified as the one who pays the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling." (www.statcan.gc.ca)
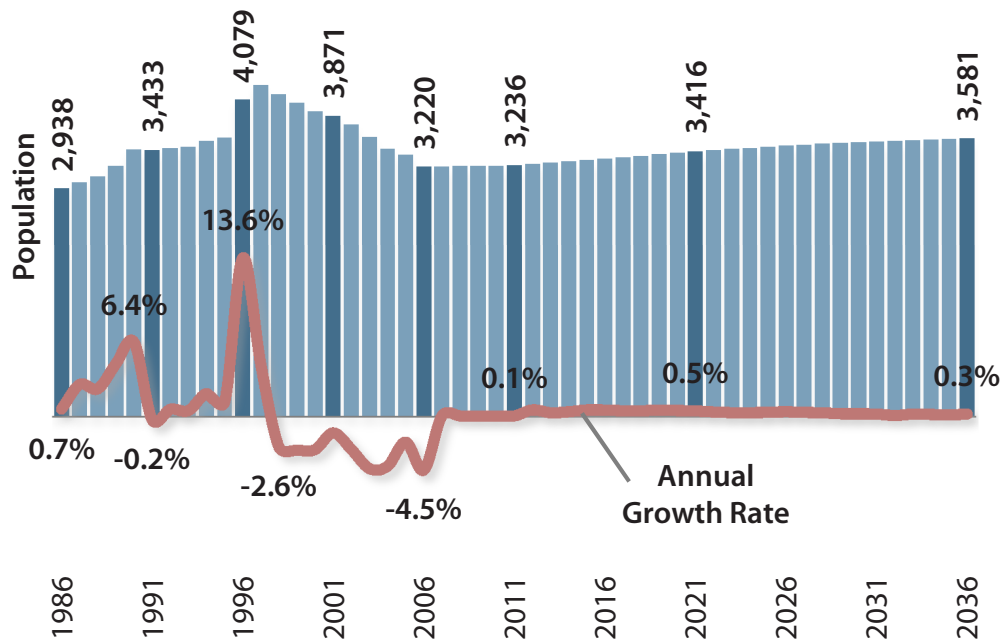
context | Demographic Drivers

FIGURE 2

Total Population Change (Central Coast, 1986 to 2036)

Population will grow over the next 25 years, while the annual growth rate will remain flat over the same period.

TABLE 2

Population Change (Central Coast, 2011 to 2036)

Central Coast will experience an average annual growth rate of 0.4% over the next 25 years.

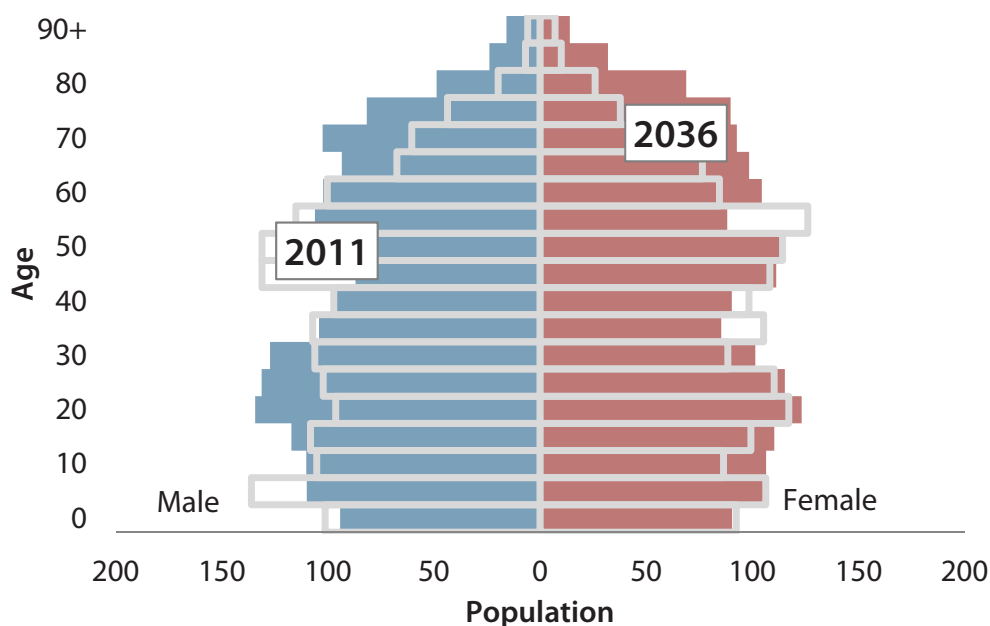|	Total Population			Avg Annual Growth		
	2011	2021	2036	2011-2021	2021-2036	2011-2036
Central Coast	3,236	3,416	3,581	0.5%	0.3%	0.4%

FIGURE 3

Regional Age Profile (Central Coast, 2011 and 2036)

Over the next 25 years Central Coast will age considerably, with a large increase in those aged 65 and over.

projections | **Rental Housing Demand**

Rental housing demand in Central Coast is projected to increase by 5% or decrease by 6% over the next 25 years, compared to population increase of 11% over the same period.

Figure 4 shows that rental housing demand declined from 2001 to 2006, reflecting demographic changes. The decline in rental housing demand was caused by an overall population decline and a decline in rental household maintainer rates.

Figure 5 depicts the age breakdown of household maintainers in 2011 and 2036, showing relatively minor shifts in rental demand across all ages.

Scenario A: Constant Tenure

As seen in Table 3 below, rental housing demand is projected to increase by 5% from 347 households in 2011 to 363 households in 2036.[1] This translates to an average annual increase in rental housing demand of 1 household between 2011 and 2036.

Scenario B: Shifting Tenure

The propensity of households to rent in BC has declined from 16.4% of households in 1996 to 14.4% in 2006. This shift can be seen in Central Coast and is consistent across most age groups. Scenario B assumes this trend will continue to 2036, resulting in an overall decline in rental housing demand, despite a slight increase in population. Rental housing demand is projected to decrease by 6%, from 347 in 2011 to 325 by 2036. This translates into an average annual decrease of 1 rental household between 2011 and 2036.

Rental housing demand is projected to range from a decline of 22 households to an increase of 16 households over the next 25 years.

	Total Households			Additional Households			Avg Annual Additional Households		
	2011	2021	2036	2011-2021	2021-2036	2011-2036	2011-2021	2021-2036	2011-2036
Scenario A: Constant Tenure	347	353	363	6	10	16	1	1	1
Scenario B: Shifting Tenure	347	344	325	-3	-19	-22	0	-1	-1

TABLE 3

Rental Housing Demand (Central Coast, 2011 to 2036)
Rental housing demand is projected to remain steady over the next 25 years.

[1] 2011 figures are projections as the 2011 Census housing tenure and income variables were unavailable at the time the projections were complete.

projections | **Rental Housing Demand**

Scenario A:
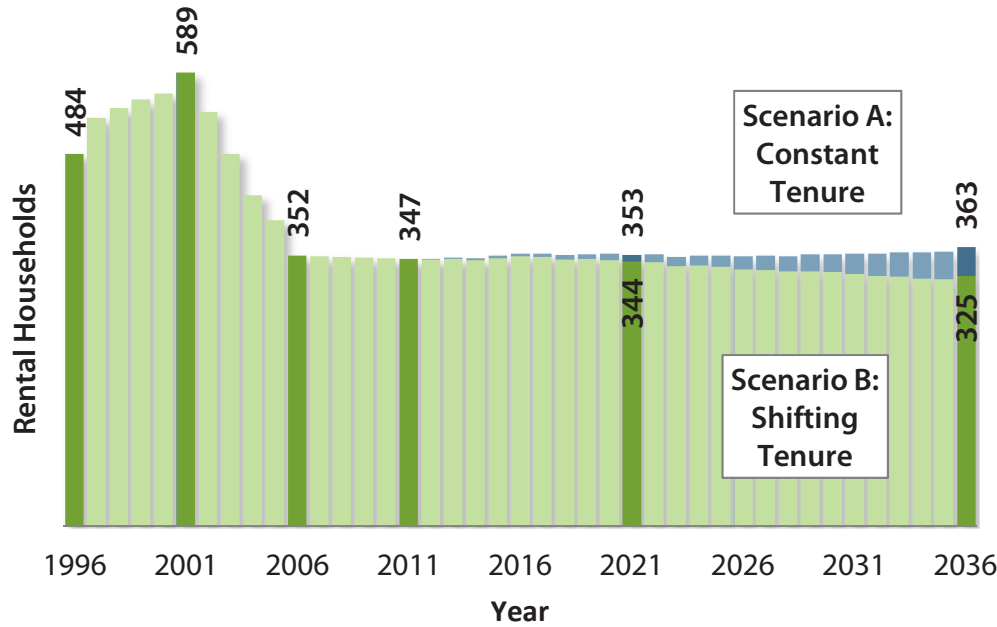Constant
Tenure

Scenario B:
Shifting
Tenure

FIGURE 4

**Rental Housing Demand
(Central Coast,
1996 to 2036)**

Scenario A envisions slight
growth in rental housing demand,
while scenario B see a slight
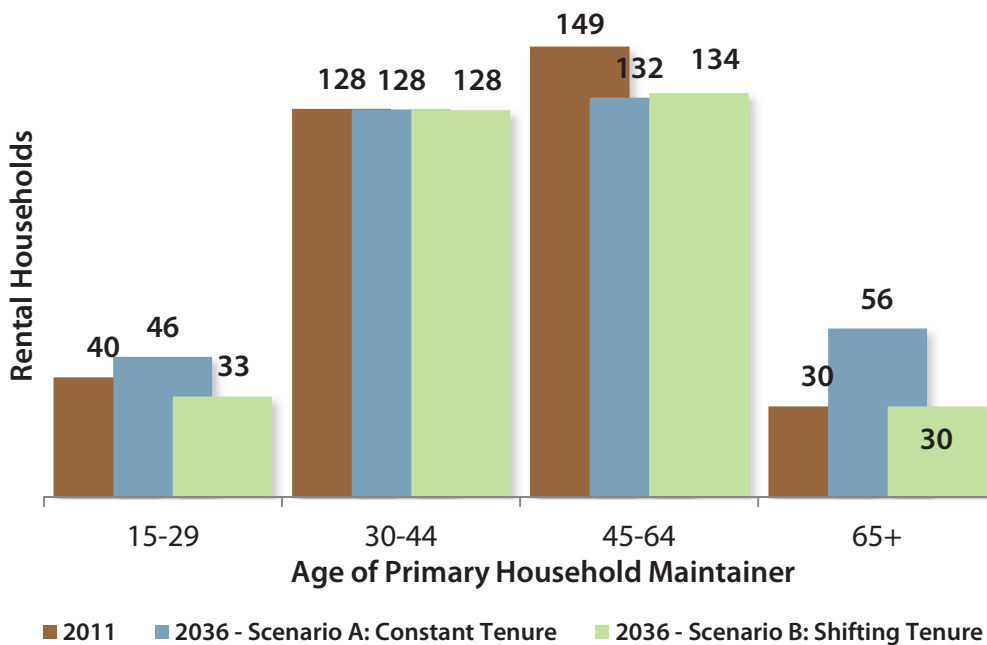decline over the next 25 years.

FIGURE 5

**Rental Housing
Demand by Age
(Central Coast, 2011,
2036)**

By 2036 Scenario A projects a
significant increase in demand for
rental housing by seniors, while
demand across other age groups
remains constant.

■ 2011   ■ 2036 - Scenario A: Constant Tenure   ■ 2036 - Scenario B: Shifting Tenure

methods | **Our Model**

The projections for rental housing demand are the output of models built with particular assumptions, and are intended as illustrations of what might occur if certain trends continue.

Rental housing demand estimates were built using a demographic approach. Changes in demographics and tenure patterns are the main drivers in this model. The BC Stats PEOPLE 36 model projecting population growth in regional districts was used as a base, and adjusted using total population numbers released in February 2012 from the 2011 Census. The PEOPLE projections incorporate regional migration assumptions that are influenced by historical migration trends as well as information on future developments like resource sector activities, transportation infrastructure and planning policies.

Historical age-specific Census household maintainer numbers were used to calculate historical household maintainer rates (the portion of the age group that considers itself a primary household maintainer). Figure 6 illustrates the historical rates in Central Coast. These rates were then applied to the total population to calculate an estimate of future rental household demand. All 2011 figures are projections as the 2011 Census housing tenure and income variable were unavailable at the time the projections were completed.

Scenario A calculated future rental housing demand holding the estimated 2011 rates constant over the projection period. Scenario B considered what would happen if trends in renter maintainer rates, visible in the different historic rates, continued through to 2036.

Due to the small numbers involved, and the automatic rounding of data released by CMHC, reliable data was not available to create projections of core housing need for Central Coast.

Additional data tables are available in the appendix of this report.

Changes in demographics and tenure patterns are the main drivers in this model.

More detail on the methodology behind these projections is available in the full report at www.bcpnha.ca.

Projections created with technical support from Urban Futures.

Contact BCNPHA Research Department for more information: jill@bcnpha.ca.
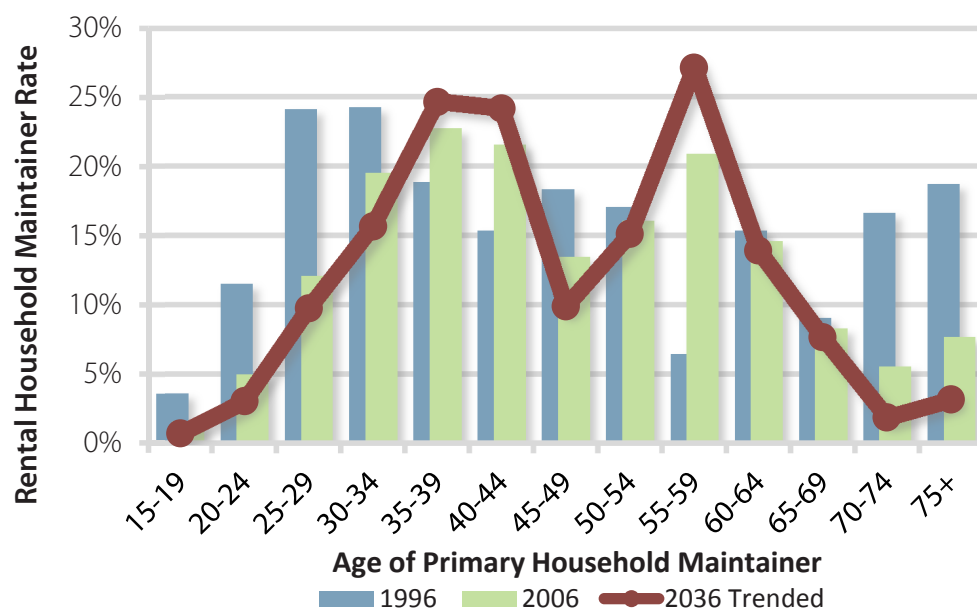
methods | **Our Model**

FIGURE 6

Rental Household Maintainer Rates (Central Coast, 1996, 2006, 2036)

Rental household maintainer rates are projected to decline among most age groups by 2036.

(For detailed age-specific maintainer rates used to build the projections, see the appendix in the full report at www.bcnpha.ca.)

appendix | Data

This appendix containts additional detailed projections generated by our model including population projections by age group, and renter and owner household projections.

For projections of rental housing demand and core housing need at the provincial level, and more detail about the methodology employed, see the complete report at www.bcnpha.ca

Age Group	Total Projected Population			Avg Annual Growth		
	2011	2021	2036	2011-2021	2021-2036	2011-2036
0-14	680	720	665	0.6%	-0.5%	-0.1%
15-29	634	608	732	-0.4%	1.2%	0.6%
30-44	603	607	607	0.1%	0.0%	0.0%
45-64	911	878	815	-0.4%	-0.5%	-0.4%
65+	408	603	762	4.0%	1.6%	2.5%
All Ages	3,236	3,416	3,581	0.5%	0.3%	0.4%

TABLE 4

Population Projections by Age Group (Central Coast, 2011 to 2036)

Tenure	Scenario	Total Households			Additional Households			Avg Annual Additional Households		
		2011	2021	2036	2011-2021	2021-2036	2011-2036	2011-2021	2021-2036	2011-2036
Rental	Scenario A: Constant Tenure	347	353	363	6	10	16	1	1	1
	Scenario B: Shifting Tenure	347	344	325	-3	-19	-22	0	-1	-1
Ownership	Scenario A: Constant Tenure	756	832	895	76	63	139	8	4	6
	Scenario B: Shifting Tenure	756	841	932	85	91	176	8	6	7
Total	Both Scenarios	1,104	1,185	1,258	81	73	154	8	5	6

TABLE 5

Household Projections (Central Coast, 2011 to 2036)