



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

**SUNSHINE COAST REGIONAL  
DISTRICT TO 2036**

**SEPTEMBER 2012**



**BCNPHA**

BC Non-Profit Housing Association

[www.bcnpha.ca](http://www.bcnpha.ca)

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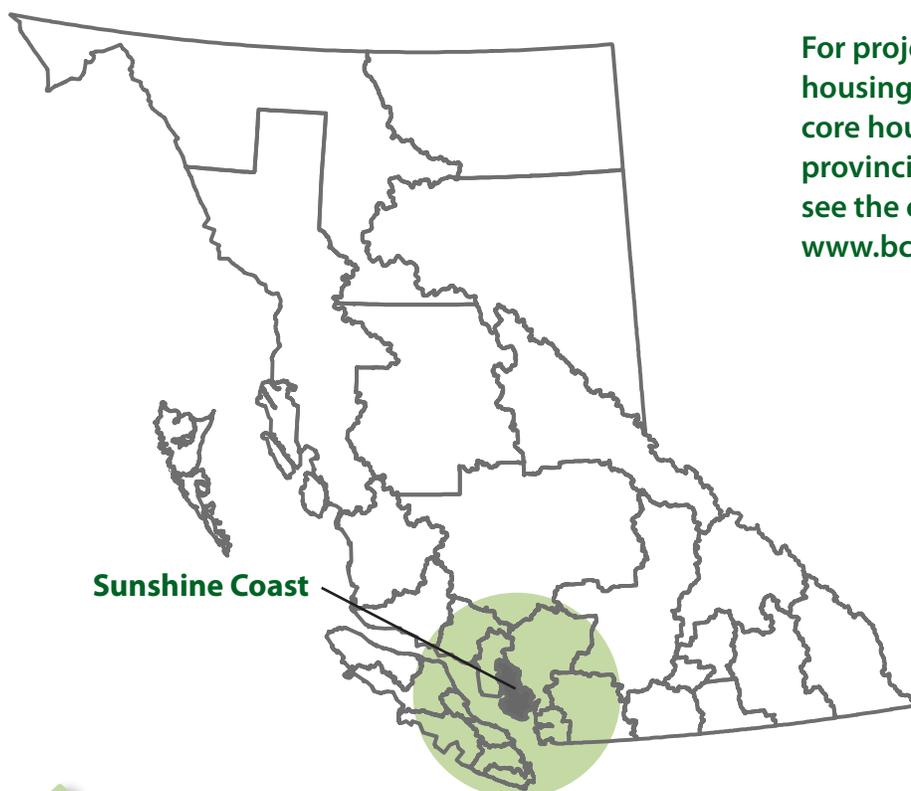
# A vision for sustainable housing in communities across British Columbia

**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 Sunshine Coast Regional District is situated on the west coast.



**For projections of rental housing demand and core housing need at the provincial level, see the complete report at [www.bcnpha.ca](http://www.bcnpha.ca)**



# highlights

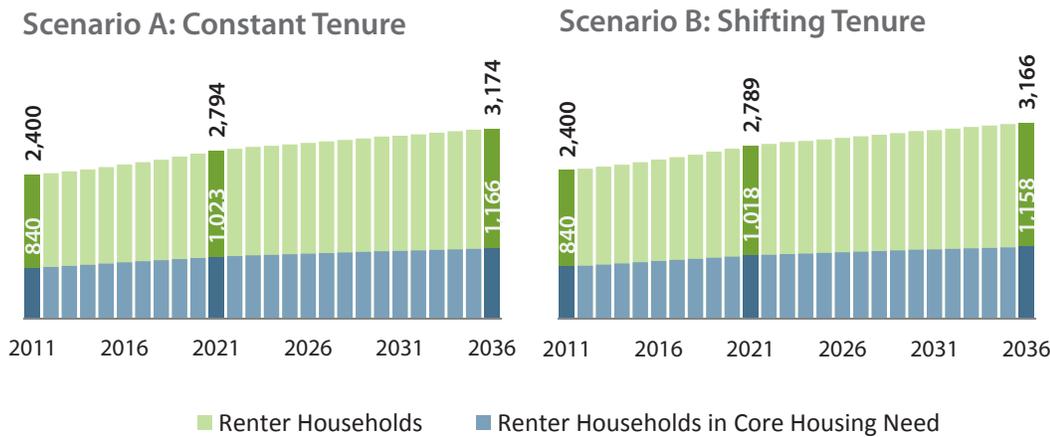
Two demographically driven scenarios were built to project rental housing demand and core housing need among renter households to 2036. These scenarios are illustrations of what might occur under certain conditions.

**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. In Sunshine Coast, the historical trend has been only very slightly towards ownership.

Both scenarios suggest that rental housing demand will grow into the future in Sunshine Coast. Rental housing demand is estimated to range between 3,166 and 3,174 households by 2036, an increase of between 766 and 774 households, as seen in Table 1 below. Core housing need among renters is projected to range between 1,158 and 1,166 renter households by 2036, an increase of between 318 and 326 households.

In both scenarios, rental housing demand grows strongly relative to population growth. To the extent that vacancies cannot accommodate the additional demand, new stock will need to be developed. Additional renter households in core housing need will require some form of assistance to ensure that housing is affordable.



**FIGURE 1**  
Rental Housing Demand and Core Housing Need (Sunshine Coast, 2011 to 2036)

Year	Scenario A: Constant Tenure		Scenario B: Shifting Tenure	
	Rental Demand	Core Need	Rental Demand	Core Need
2011	2,400	840	2,400	840
2021	2,794	1,023	2,789	1,018
2036	3,174	1,166	3,166	1,158
Increase 2011-2036	774	326	766	318

**TABLE 1**  
Rental Housing Demand and Core Housing Need (Sunshine Coast, 2011 to 2036)



The projections for rental housing demand and renter households in core housing need in the Sunshine Coast Regional District partly reflect anticipated demographic change in the District. The population is projected to increase by 25%, from 28,824 in 2011 to 35,897 in 2036, as seen in Figure 2.

Between 1986 and 2006 the population grew by 10,611 people, fluctuating between a 0.8% annual decline and a 6.7% annual increase. Recent growth has averaged around 0.5% annually and is projected to grow to 1.0% in 2021, and then decline to 0.6% in 2036.

Based on 2006 Census data (the most recent available), Sunshine Coast's population is older than the provincial population. In 2006, the median age in the region was 48.5 versus 40.8 years provincially. Figure 3 shows that by 2036, there will be strong growth in the population aged 70 and over, those aged 25 to 49, and those under 15, but a significant decline in those aged 50 to 64.

Rental maintainer rates in Sunshine Coast are highest among those aged 30 to 34. The rates then steadily decline before rising slightly among older seniors. Much of the growth in rental housing demand in Sunshine Coast will occur among those aged 30 to 44, and among seniors.

**By 2036 there will be significant growth in the population over 70, those aged 25 to 49, and those under 15.**

## 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](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](http://www.statcan.gc.ca))



# context

## Demographic Drivers

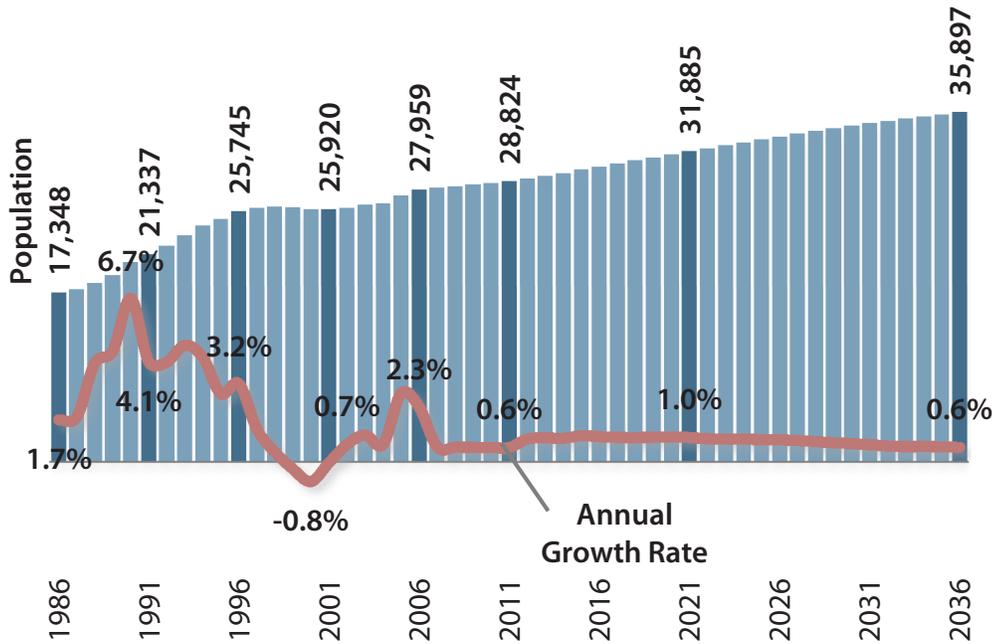


FIGURE 2

Total Population Change (Sunshine Coast, 1986 to 2036)

Population will grow slowly over the next 25 years.

	Total Population			Avg Annual Growth		
	2011	2021	2036	2011-2021	2021-2036	2011-2036
Sunshine Coast	28,824	31,885	35,897	1.0%	0.8%	0.9%

TABLE 2

Population Change (Sunshine Coast, 2011 to 2036)

Sunshine Coast will experience an average annual growth rate of 0.9% over the next 25 years.

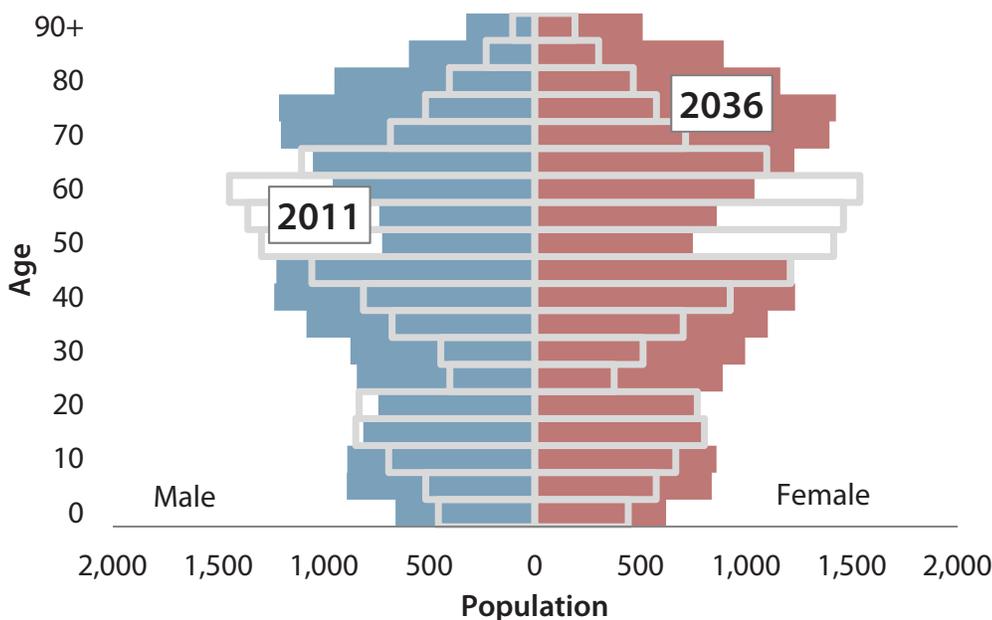


FIGURE 3

Regional Age Profile (Sunshine Coast, 2011 and 2036)

The population over 70 years is projected to grow significantly, as is the population aged 25 to 49.



# projections

## Rental Housing Demand

Rental housing demand in Sunshine Coast is projected to increase by 32% over the next 25 years through two different scenarios, compared to population growth of 25% over the same period. The two projections are nearly identical, which is in contrast to other regional districts.

Figure 4 shows that rental housing demand declined from 1998 to 2004, reflecting demographic changes. The population declined slightly from 1998 to 2001, and rental household maintainer rates declined from 1996 to 2006, causing an overall decline in rental housing demand.

Figure 5 depicts the age breakdown of rental housing demand in 2011 and 2036, showing that most growth in rental demand will occur among senior households, and those aged 30 to 44, while declining among those aged 45 to 64.

### Scenario A: Constant Tenure

As seen in Table 3 below, rental housing demand is projected to increase by 32%, from 2,400 households in 2011 to 3,174 households in 2036 when tenure patterns are held constant.<sup>1</sup> This translates to an average annual increase in rental housing demand of 31 households between 2011 and 2036.

### Scenario B: Shifting Tenure

Total rental household maintainer rates for BC declined from 16.4% of households in 1996 to 14.4% in 2006. The overall shift can be seen in Sunshine Coast, but it varies across age groups. Scenario B assumes these trends will continue to 2036, which have a muted effect overall. Total rental housing demand is projected to increase by 32%, from 2,400 in 2011 to 3,166 in 2036. This translates into an average annual increase of 31 rental households between 2011 and 2036.

**Rental housing demand is projected to increase by 766 to 774 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	2,400	2,794	3,174	394	380	774	39	25	31
Scenario B: Shifting Tenure	2,400	2,789	3,166	389	377	766	39	25	31

**TABLE 3**  
**Rental Housing Demand (Sunshine Coast, 2011 to 2036)**  
 Rental housing demand is projected to increase by 31 households annually over the next 25 years.

<sup>1</sup> All 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

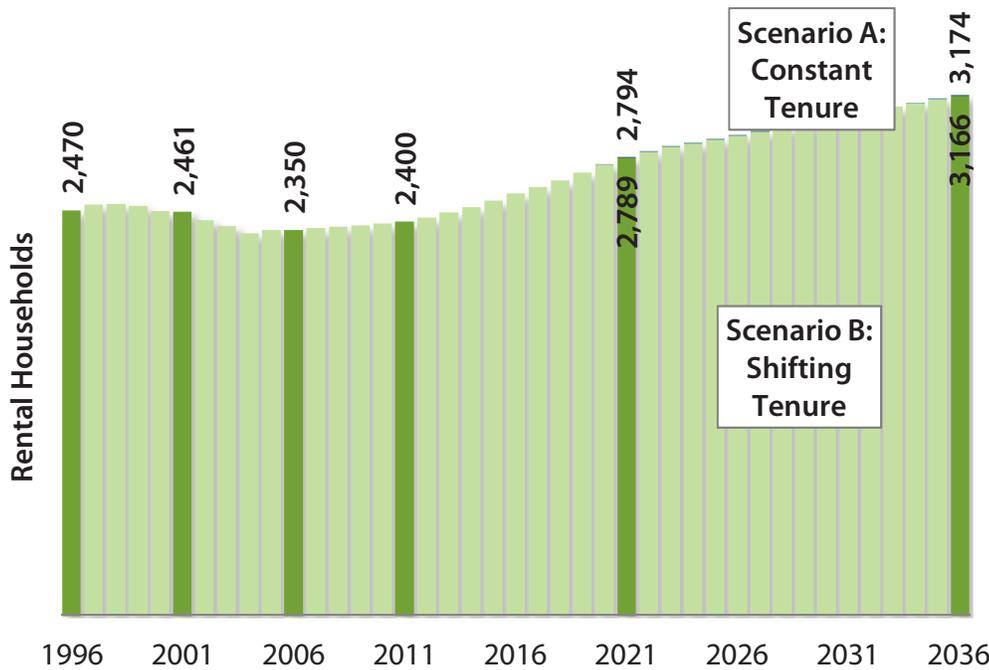


FIGURE 4

### Rental Housing Demand (Sunshine Coast, 1996 to 2036)

Both scenarios project nearly identical growth in rental housing demand over the next 25 years.

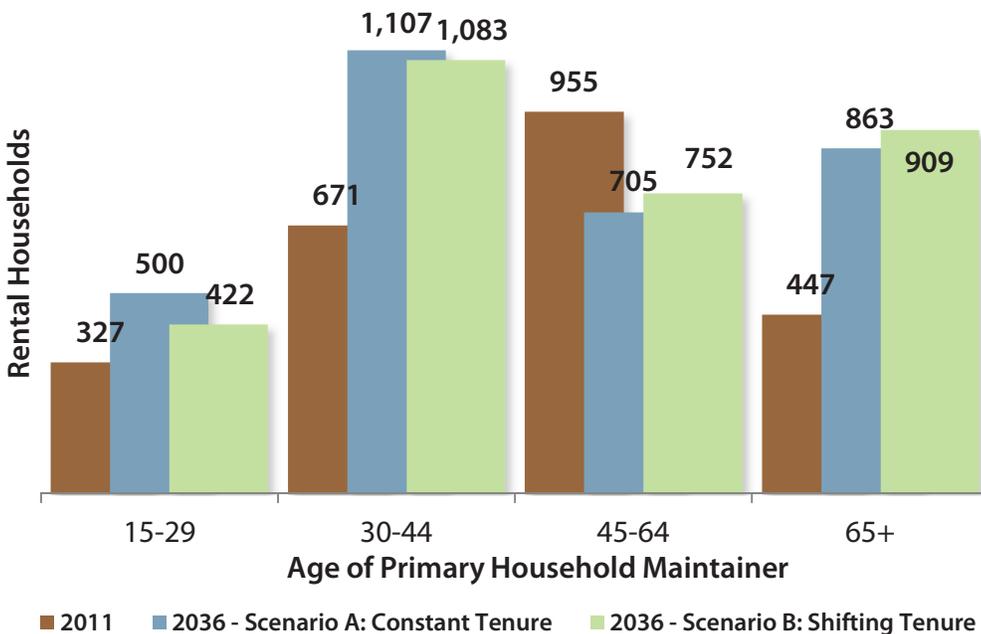


FIGURE 5

### Rental Housing Demand by Age (Sunshine Coast, 2011, 2036)

Rental housing demand will grow most significantly among households maintained by those aged 30 to 44 and seniors.



# projections

## Core Housing Need

Some renter households will be in core housing need due to affordability, adequacy or suitability problems. Core housing need among renters is projected to increase by 38% to 39% over the next 25 years.

Figure 6 shows that the number of renter households in core housing need declined in Sunshine Coast between 1996 and 2006, mirroring the decline in rental housing demand and amplified because of a declining incidence of core housing need among renters.

Both scenarios hold the age-specific shares of renter households in core need constant at 2006 levels. It is estimated that 840 renter households in Sunshine Coast were in core housing need in 2011.<sup>2</sup>

Figure 7 depicts the age-specific breakdown of renter households in core housing need. The number of senior households in core housing need will double by 2036. Core housing need will also grow significantly among households maintained by people aged 30 to 44.

### Scenario A: Constant Tenure

Scenario A reveals an increase of 326 renter households in core need, from 840 households in 2011 to 1,166 households by 2036, a 39% increase. This is an average annual increase of 13 renter households.

### Scenario B: Shifting Tenure

Scenario B projects that the total number of renter households by 2036 is 318 households, a 38% increase which is marginally lower than Scenario A. It projects an annual increase of 13 households in core housing need, for a total of 1,158 renter households by 2036.

**Core housing need among renters is projected to increase by 318 to 326 households over the next 25 years.**

**TABLE 4**  
Renter Households in Core Housing Need (Sunshine Coast, 2011 to 2036)

Core housing need is projected to increase by 13 renter households annually over the next 25 years.

	Total Households in Core Need			Additional Households in Core Need			Avg Annual Additional Households in Core Need		
	2011	2021	2036	2011-2021	2021-2036	2011-2036	2011-2021	2021-2036	2011-2036
Scenario A: Constant Tenure	840	1,023	1,166	183	143	326	18	10	13
Scenario B: Shifting Tenure	840	1,018	1,158	178	140	318	18	9	13

<sup>2</sup> 2011 figures are projections as the 2011 Census housing tenure and income variables were unavailable at the time the projections were complete.



# projections

## Core Housing Need

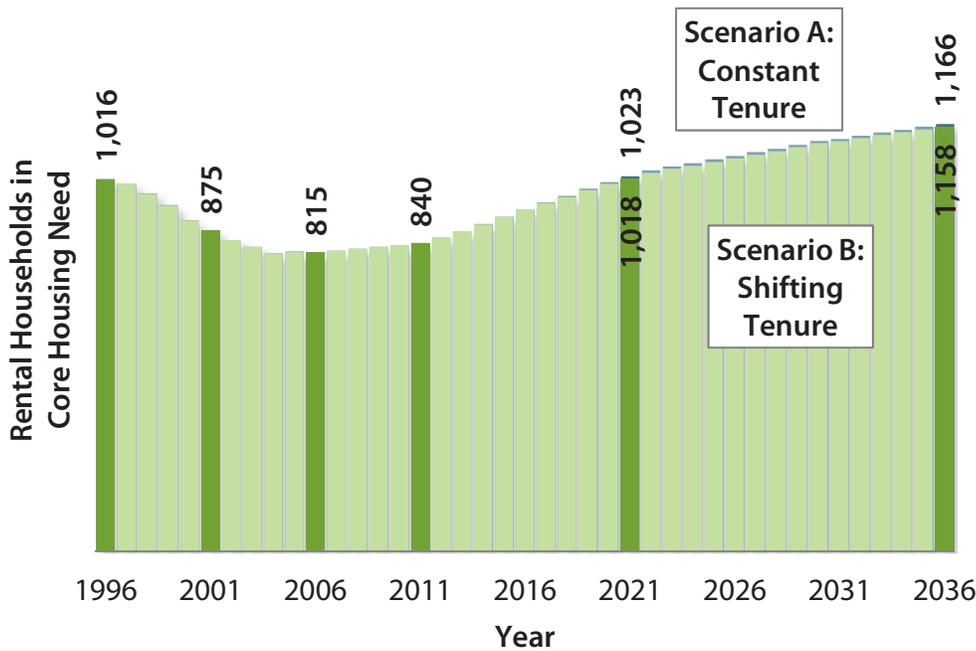


FIGURE 6

### Core Housing Need (Sunshine Coast, 1996 to 2036)

Both scenarios project a steady increase in the number of renter households in core housing need.

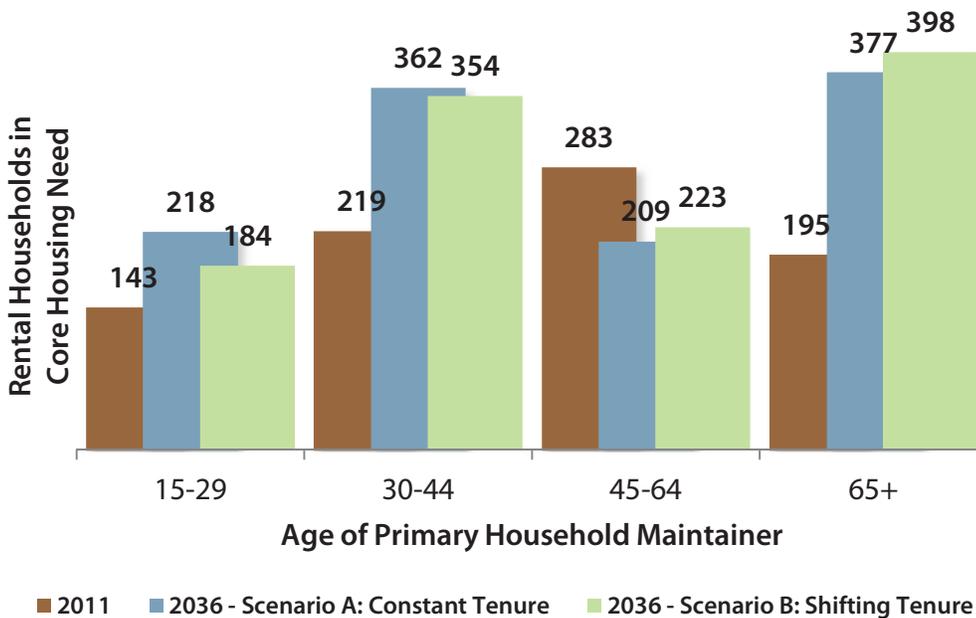


FIGURE 7

### Renter Households in Core Housing Need by Age (Sunshine Coast, 2011, 2036)

Core housing need will increase most significantly among households maintained by people aged 30 to 44 and seniors.



The projections for rental housing demand and core housing need 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 investment 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 8 illustrates the historical rates in Sunshine 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 renter households holding the estimated 2011 rates constant. Scenario B considered what would happen if trends in renter maintainer rates, visible in the different historic rates, continued through to 2036.

Core housing need estimates were calculated by applying the share of renter households in core housing need in 2006, held constant to 2011 and shown in Figure 9, to the two rental housing scenarios, and holding it constant over the projection period. This assumption is a conservative one, as the incidence of core housing need in BC in 2006 was the lowest it has been since the figures have been produced.<sup>3</sup>

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

<sup>3</sup> CMHC 2011. Canadian Housing Observer. Households in Core Housing Need, Canada, Provinces, Territories and Metropolitan Areas, 1991-2006.

**More detail** on the methodology behind these projections is available in the full report at [www.bcpnha.ca](http://www.bcpnha.ca).

**Projections created** with technical support from Urban Futures.

**Contact** BCNPHA Research Department for more information: [jill@bcnpha.ca](mailto:jill@bcnpha.ca).

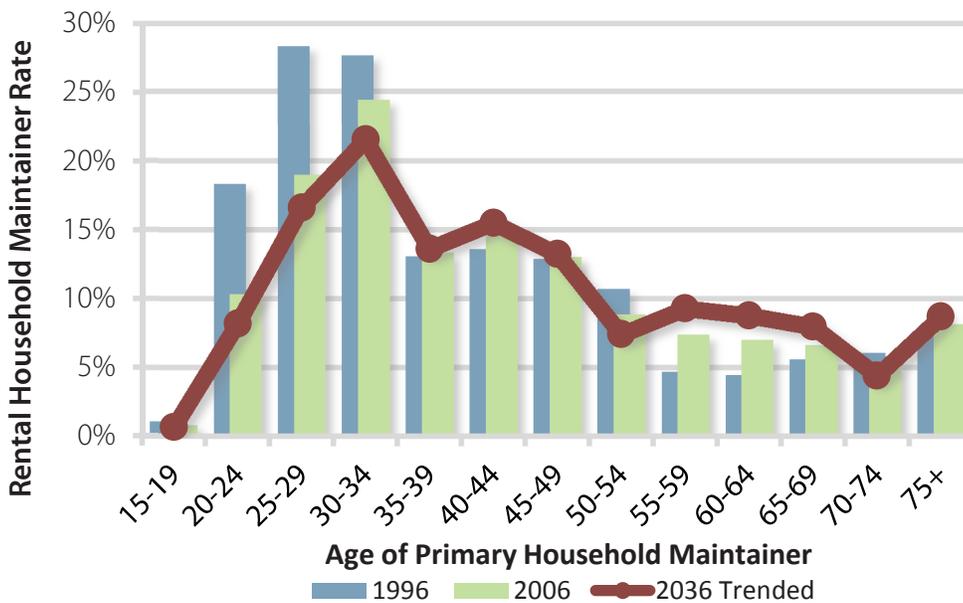
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**Changes in demographics and tenure patterns are the main drivers in this model.**

# methods

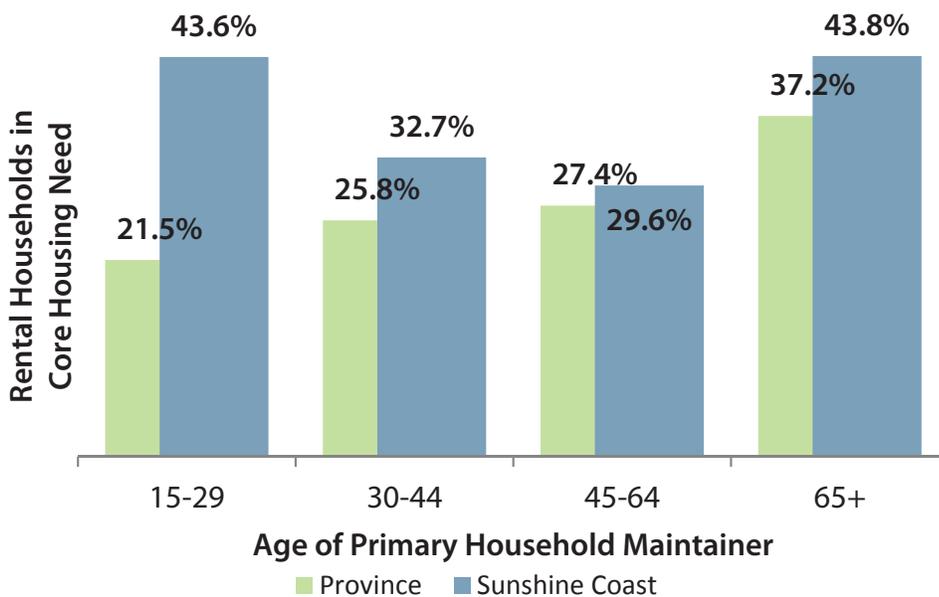
## Our Model



**FIGURE 8**  
**Rental Household Maintainer Rates (Sunshine Coast, 1996, 2006, 2036)**

Rental household maintainer rates are projected to increase or decline, depending on the age group.

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



**FIGURE 9**  
**Share of Renter Households in Core Housing Need (BC and Sunshine Coast, 2011)**

The incidence of core housing need among young rental households age 15 to 29 in the Sunshine Coast is double the provincial average.



# appendix **Data**

This appendix contains additional detailed projections generated by our model, including population projections by age group, renter and owner household projections, and renter and owner core housing need 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](http://www.bcnpha.ca)

Age Group	Total Projected Population			Avg Annual Growth		
	2011	2021	2036	2011-2021	2021-2036	2011-2036
0-14	3,542	3,860	5,062	0.9%	1.8%	1.4%
15-29	4,031	4,616	4,880	1.4%	0.4%	0.8%
30-44	4,073	4,326	6,520	0.6%	2.8%	1.9%
45-64	10,784	8,947	7,483	-1.9%	-1.2%	-1.5%
65+	6,394	10,136	11,952	4.7%	1.1%	2.5%
All Ages	28,824	31,885	35,897	1.0%	0.8%	0.9%

**TABLE 6**  
Population Projections by Age Group (Sunshine 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	2,400	2,794	3,174	394	380	774	39	25	31
	Scenario B: Shifting Tenure	2,400	2,789	3,166	389	377	766	39	25	31
Ownership	Scenario A: Constant Tenure	10,543	12,008	13,109	1,465	1,101	2,566	147	73	103
	Scenario B: Shifting Tenure	10,543	12,013	13,117	1,470	1,104	2,574	147	74	103
Total	Both Scenarios	12,943	14,802	16,283	1,859	1,481	3,340	186	99	134

**TABLE 7**  
Household Projections (Sunshine Coast, 2011 to 2036)

Tenure	Scenario	Total Households in Core Need			Additional Households in Core Need			Avg Annual Additional Households in Core Need		
		2011	2021	2036	2011-2021	2021-2036	2011-2036	2011-2021	2021-2036	2011-2036
Rental	Scenario A: Constant Tenure	840	1,023	1,166	183	143	326	18	10	13
	Scenario B: Shifting Tenure	840	1,018	1,158	178	140	318	18	9	13
Ownership	Scenario A: Constant Tenure	1,122	1,237	1,338	115	101	216	12	7	9
	Scenario B: Shifting Tenure	1,122	1,242	1,349	120	107	227	12	7	9
Total	Scenario A: Constant Tenure	1,962	2,260	2,504	298	244	542	30	16	22
	Scenario B: Shifting Tenure	1,962	2,260	2,507	298	247	545	30	16	22

**TABLE 8**  
Households in Core Housing Need Projections (Sunshine Coast, 2011 to 2036)

