



AFFORDABLE HOUSING BACKGROUND

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What do we mean by *affordable housing*?

The nationally recognized definition used by Canada Mortgage & Housing Corporation for 'affordable housing' is shelter (including rent or mortgage, property taxes and utilities) which costs no more than 30% of one's total income¹. High shelter costs put stress on households and means they must struggle to afford other basic necessities, e.g. food, clothing, and utilities. Affordable housing provides stability for households and is the foundation for building strong, healthy communities.

Affordability affects both renters and non-renters. Unfortunately, the high cost of land, materials, and construction means that the private sector has all but stopped building affordable rental housing in favour of more profitable forms of market-based ownership housing. A dwindling supply of rental housing coupled with growing demand has resulted in higher than average rents. This – combined with the second lowest vacancy rate in the country² - has left many households in B.C. unable to find market housing that is affordable, in adequate physical condition, and of a suitable form size. Since 2001, nearly half of the province's renters have spent 30% or more of their income on rent³.

BC Non-Profit Housing Association (BCNPHA) is a provincial umbrella organization providing education, services, and advocacy to the non-profit housing sector. Non-profit housing societies build and manage long-term, affordable shelter for those unable to find housing on the private market. Non-profit housing societies are a key contributor to the supply of quality, affordable housing in our communities.

Did you know...

- 478,156 households in British Columbia (29.1%) spend 30% or more of their income on shelter, well above the national average of 24.9%³.
- Renters make up 30.3% of British Columbian households. 43.7% of these renters (217,571 households) spend 30% or more of their income on shelter³.
- At 1.1%, the average provincial vacancy rate for private rental apartments is the second lowest in the country³.
- Over 13,000 households are on the BC Housing registry⁴ waitlist for subsidized housing.

¹ Canada Mortgage and Housing Corporation, 2008, "Affordable Housing", http://www.cmhc-schl.gc.ca/en/corp/faq/faq_002.cfm. Accessed 6 February 2009.

² Canada Mortgage and Housing Corporation, 2008, "Rental Market Report: British Columbia Highlights", www.cmhc-schl.gc.ca/odpub/esub/64487/64487_2008_B01.pdf. Accessed 18 September 2008.

³ Statistics Canada, 2008, "Changing patterns in Canadian homeownership and shelter costs, 2006 Census", www12.statcan.ca/english/census06/analysis/shelter/pdf/97-554-XIE2006001.pdf. Accessed 18 September 2008.

⁴ BC Housing, 2008, "Housing applicants", <http://www.bchousing.org/applicants>. Accessed 18 September 2008.



Recent studies tell us that...

Housing costs less than homelessness

- When people are adequately housed, they have less need for costly health, corrections, and social services. A 2007 study found that providing supportive housing to homeless persons with severe addictions and/or mental illness would save the province \$22.2 million per year⁵.

Housing is a key determinant of health

- When no more than 30% of a household's income is spent on rent, the ability to make and afford healthy and preventive choices such as high quality housing, nutritious foods, and regular exercise and recreation is greatly increased⁶. This may also reduce health concerns for those who would otherwise be unable to afford essential medications.
- Housing is also a key factor in improving the health and well-being for both people with mental health and addiction issues and those with other stigmatized health concerns⁷.

Property values are not adversely affected by non-market housing

- A comparison between areas with and without non-market housing found no difference in property values or time on the market between the dates of listing and sale. House prices in the vicinity of non-market housing increased as much (and in some cases, more than) nearby areas with similar housing types and ages⁸.

Why is affordable housing important to your community?

Affordable housing...

- helps seniors and people with disabilities maintain their independence
- provides stability for a wide range of households, including low-income families, single persons, people at-risk of homelessness, at-risk youth, and those with complex health needs like disabilities, mental illness, or addictions
- helps people remain healthy, resulting in cost savings for health and social services
- helps create disposable income, enabling households to better make healthy choices and participate in community life
- means jobs in housing development, construction, and on-going management and maintenance work
- is a valuable, long-term community asset that meets local needs.

⁵ Patterson et al, 2008, "Housing and Support for Adults with Severe Addictions and/or Mental Illness in British Columbia", [http://www.carmha.ca/publications/resources/pub_hsami/Housing_SAMI_BC_FINAL\(PD\).pdf](http://www.carmha.ca/publications/resources/pub_hsami/Housing_SAMI_BC_FINAL(PD).pdf). Accessed 3 February 2009.

⁶ Hwang, Stephen et al, 2000, "Housing and Population Health: A Review of the Literature" Ottawa: Canada Mortgage and Housing Corporation.

⁷ Kyle, T., & Dunn, J, 2008, "Effects of housing circumstances on health, quality of life and healthcare use for people with severe mental illness: a review" in *Health and social care in the community*, 16(1), 1-15.

⁸ Province of British Columbia, 2000, "Impact of Non-Market Housing on Property Values", http://www.housing.gov.bc.ca/housing/00_Jan_PropVal.html. Accessed 3 February 2009.

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