



FINANCE AND LABOUR RELATIONS SUB-COMMITTEE

ADDENDUM

Adoption of Addendum to the Finance and Labour Relations Sub-committee Agenda:

Motion by

THAT the Addendum to the Finance and Labour Relations Sub-committee Agenda dated June 17, 2025, be added to the agenda as printed to include the following:

4. Report of the Director of Corporate Services

4.1 SEEDCo./investStratford Update to March 31, 2025 (FIN25-018)

Following the publishing of the agenda, the representatives scheduled to present the report was amended to: Joani Gerber, Chief Executive Officer and Rino Bortolin, Strategic Advisor, Centre for Cities, University of Windsor. A Housing Needs Assessment (HNA) Summary Design was also provided to identify trends.

Attachment – HNA Summary Design dated June 2025

Motion by

THAT the HNA Summary Design provided by SEEDCo./investStratford dated June 2025 be received.

KEY TAKEAWAYS

Stratford, Ontario is a small city experiencing a population shift marked by increasing numbers of one family households and steady population growth. Despite ongoing economic growth, a mismatch between available housing stock and community needs has created barriers to homeownership and rental accessibility that is impacting our ability to attract and retain talent to our employment sectors. Furthermore, the lack of suitable housing stock has resulted in a significant increase in housing prices as well as rental rates creating further divides between what the population can afford and what is available on the open housing market.

TRENDS TO WATCH

- **Rising Home Prices & Rental Costs:** Home prices have increased over five times the rate of income growth since 2016, making homeownership less attainable. Rental costs have also risen, substantially outpacing income growth.
- **Population Growth & Demographic Shift:** Stratford's population is aging, with an increasing proportion of seniors and smaller households, yet much of the housing stock remains larger single-family homes. 60% of Stratford's housing stock has more than 3 bedrooms, while only 30% of our households are made up of 3 or more people.
- **Demand for Smaller, Affordable Units:** There is an increasing need for one and two- bedroom units to accommodate seniors, young professionals, and low-income residents. Population growth over the next ten years is projected to be 2.7 times more one person households than family units of two or more.
- **Manufacturing, Education & Tourism Growth:** Employment sectors are expanding, resulting in workers struggling to find affordable housing within city limits while the expanded University and College student bodies have increased our student populations. The seasonality of the Stratford Festival Theatres' season creates additional demand pressures through the late spring, summer and fall each year. *

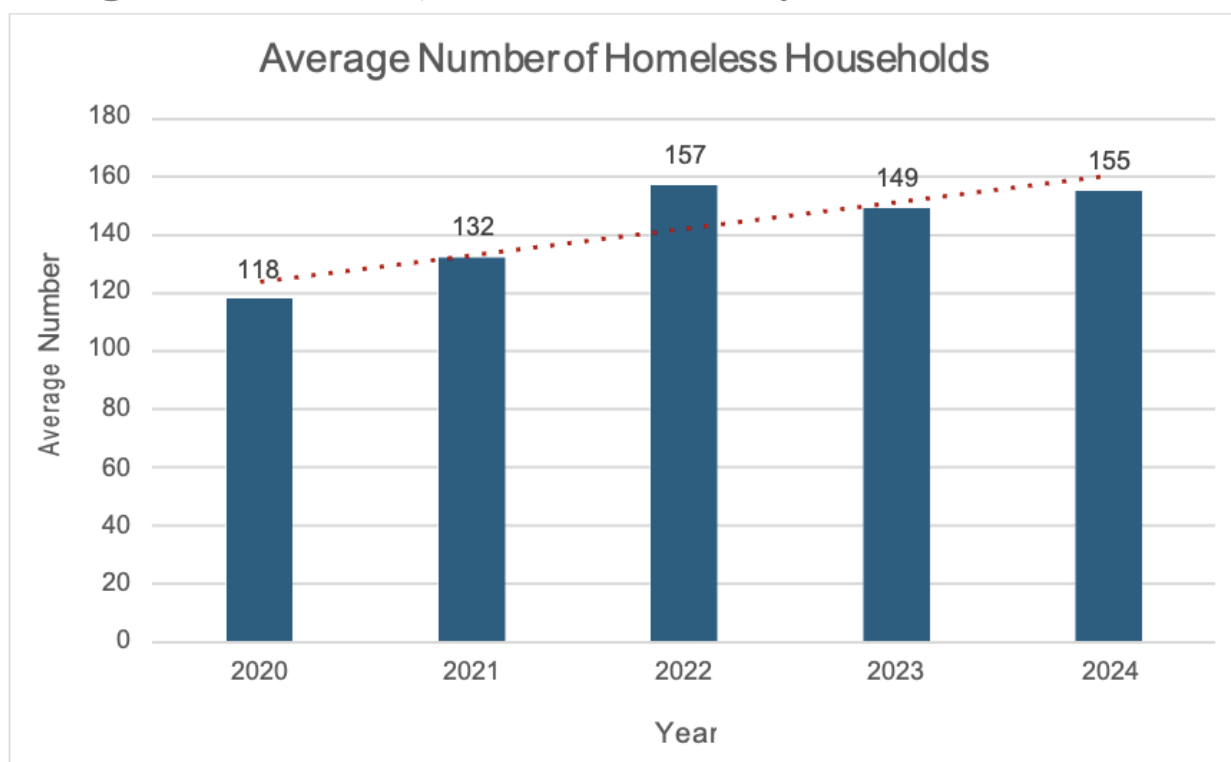
*At the time of writing, it is too early to say how the current economic volatility will impact this trend. Nevertheless, workforce and student population growth should be monitored.

ASSESSED NEEDS

- **Affordable Housing Deficit:** There is a significant shortfall in affordable rental and ownership options, particularly for low and very low-income residents.
- **Housing for Priority Populations:** Seniors, young adults and single parents face the highest housing need.

- Increased Demand for Rental Housing: Stratford has a low vacancy rate (below 2.3%), leading to heightened rental competition and affordability concerns.
- High Acuity Male Homelessness- the number of homeless male individuals who require fully supportive housing has increased, while the services and housing that they need has not.

Homelessness as Recorded by the Consolidated Municipal Service Manager for Stratford, Perth and St. Mary's



source: CMSM

Affordable Monthly Shelter Cost by Income Category

	# of Households	%	Annual Household Income	Monthly Affordable Shelter Cost
Very Low Income	440	3.0%	<\$15,000	<\$388
Low Income	2,365	16.1%	\$15,500-\$38,750	\$388-\$969
Moderate Income	3,260	22.2%	\$38,750-\$62,000	\$969-\$1,550
Median Income	2,925	19.9%	\$62,000-\$93,000	\$1,550-\$2,325
High Income	5,715	38.9%	>\$93,000	>\$2,325

Source: HART Stratford,

*Affordable Shelter Cost equates to approximately 30% of before tax household income monthly

Average Rental Rate Trends Per Unit Size, 2019-2023

Unit Size	2019	2020	2021	2022	2023
Bachelor	\$963	\$1,358	\$1,088	\$847	\$1,315
1 Bedroom	\$1,049	\$1,266	\$1,264	\$1,423	\$1,658
2 Bedroom	\$1,486	\$1,477	\$1,556	\$1,774	\$2,057
3+ Bedroom	\$1,838	\$1,883	\$1,955	\$2,409	\$2,585

Source: CMSM Rental Tracking- methodologies for localized up to date data included in the full HNA, page 43

Households in Core Housing Need- 2021

Income Category (max affordable housing cost)	1 Person Household	2-person Household	3-person Household	4-person Household	Total
Very Low Income (\$387)	160	0	0	0	160
Low Income (\$968)	600	145	65	0	810
Moderate Income (\$1550)	0	0	0	0	0
Median Income (\$2325)	0	0	0	0	0
High Income (>\$2325)	0	0	0	0	0
Total	760	145	65	0	970

HART 2021 data

There is a significant disconnect between the number of one person households in core housing need versus the number of three-bedroom homes as outlined in the table below. The below table presents the breakdown of all available housing stock by number of bedrooms, out of a total of 14,745 units city wide.

Housing Stock By Unit Size

Typology	Number of Units	Percentage of Available Stock
No Bedrooms	70	0.5%
One Bedroom	1,955	13%
Two Bedroom	3,830	26%
Three Bedroom	6,040	41%
Four Bedroom	2,850	19%

Currently, over 60% of Stratford's housing stock consists of three-bedroom or larger homes. Meanwhile, only 30% of total households are comprised of three or more people (see table 3.1.1 in the HNA for population breakdown) 70% of our households in core housing need are comprised of two people or fewer and future population projections show an anticipated growing number of one and two person households.

PROJECTIONS

Household projections are determined by applying headship rates to population projections. The methodology includes:

- Headship Rate Application: Estimating household formation rates by age group, considering trends in family vs. non-family households.
- Household Composition: Projecting proportions of household types (e.g., couples, lone parents, multi-family households, and one-person households).
- Household Size Projection: Using historical proportions to estimate household sizes by age and family type.
- Adjustments for Economic Trends: Addressing recent declines in headship rates due to affordability issues to avoid underestimation.
- Young Adults (18-34): Considering economic modeling for household formation, particularly in smaller communities.

Housing demand is projected based on household tenure, dwelling type, and affordability considerations. This step includes:

- Ownership and Rental Projections: Applying historical and trending ownership rates to estimate tenure split.

- Dwelling Type Projection: Determining future demand for housing types (single, semi-detached, row housing, and apartments) based on historical propensities and economic trends.
- Income-Based Housing Need: Aligning housing demand projections with income categories to estimate affordability gaps.
- Vacancy & Turnover Adjustments: Addressing existing gaps by considering tenure shifts and the fate of vacated units when households move.

Additional Considerations

1. Economic Data Integration
 - Economic conditions, unemployment rates, and housing market trends influence household formation.
 - Incorporating CMHC headship rate projections, particularly for young adults in high-demand markets.
2. Supply Capacity & Gaps
 - Evaluating available serviced lots and projected housing stock to identify supply shortfalls.
 - Factoring in demolitions, conversions, and vacant units to refine housing need estimates.
3. Regional & Comparative Analysis
 - Benchmarking projections against comparable municipalities with similar growth patterns.
 - Considering population density trends to inform planning for higher-density developments.

This methodology builds on the HART framework while addressing key gaps in tenure shifts and existing housing supply turnover. By integrating economic, demographic and supply-side factors, this refined approach provides a more comprehensive estimation of housing need, ensuring communities are equipped to plan effectively for future growth.

Projections using the HART methodology further reinforce these findings. Households with four or more members are expected to decline in the coming decade, while the growth of the three-person household is projected to slow. In contrast, the number of one and two person households is expected to increase significantly as indicated below.

Projected Households by Household Size and Income Category- 2031

Income Category	1 Person	2 Person	3 Person	4 Person	5 Person	Total
Very Low Income	431	1	0	0	0	432
Low Income	2,094	336	106	4	0	2,540
Moderate Income	1,513	1,306	285	111	31	3,246
Median Income	949	1,811	536	173	87	3,556
High Income	516	2,591	1,114	1,159	644	6,024
Total	5,503	6,045	2,041	1,447	762	15,798

This shift underscores the necessity of rebalancing Stratford's housing supply to align with the evolving demographic and household composition, particularly by increasing the availability of smaller, more affordable housing options.

Projected Population Breakdown by Age -2035

Characteristic	Data	Value
Population	2025	35,100
Anticipated Population	2035	39,141
Anticipated Population by Age Breakdown (# and %)	0-14	4,377- 11.18%
	15-19	1,706, 4.36%
	20-24	1,962- 5.01%
	25-64	18,770- 47.95%
	65-84	10,682- 27.29%
	85+	1,644- 4.2%

This data indicates that by 2035 fully 31.49% of Stratford's population will be over the age of 65. Comparatively, the province projects a peak percentage of Ontarians over the age of 65 to be reached at 21.6% in 2037. Source: <https://www.ontario.ca/page/ontario-population-projections>

As this pronounced trend towards an aging population continues there will be a growing demand for smaller housing units as older adults typically seek more manageable and accessible living arrangements.

Projected New Builds

Based on CityWide municipally tracked data, in 2024 201 construction permits were issued for new builds, the majority (114) for townhouse dwellings. Significantly more units are currently in planning approval processes and an update on this will be provided via the Official Plan process.

FUTURE ACTIONS

- Incentivize Affordable Housing Development: Support policies that encourage the construction of smaller, affordable rental and ownership units.
- Promote Infill & Density Increases: Streamline zoning processes and adapt zoning regulations to allow for more multi-unit housing and secondary suites.
- Expand Non-Market Housing Options: Invest in supportive housing solutions to reduce homelessness and provide stable options for vulnerable populations. Work with not-for-profits and higher-level government to expand non-market housing options in the city.
- Encourage Employer & Institutional Collaboration: Work with local businesses and post-secondary institutions to create workforce and student housing solutions.
- Monitor Housing Market Trends & Policy Impact: Use data-driven approaches to
- ensure housing initiatives align with the evolving needs of Stratford's residents.