



Poverty and Homelessness
Action Team - Central Okanagan

CENTRAL OKANAGAN COMMUNITY AFFORDABILITY SURVEY REPORT 2009

Support Guide to the
Central Okanagan Poverty Report Card

CONTENTS

BACKGROUND	2
ANALYSIS	3
RESIDENCY	3
HOUSEHOLD DESCRIPTION	5
SHELTER TO INCOME RATIO	7
FOOD	10
CHILDCARE	11
TRANSPORTATION	12
ACKNOWLEDGEMENTS	13
REFERENCES AND RESOURCES	13

BACKGROUND

This community affordability survey is intended to provide a snapshot of affordability in the Central Okanagan. It was conducted in a non-random fashion between October 9 and November 12, 2008 and was available to all Central Okanagan residents for completion either on-line or by hand. To ensure those with no access to a computer could participate, paper copies were provided to food banks, social service providers, shelters, transition houses and subsidized housing facilities.

The survey was available on-line at the City of Kelowna website with a link from the West Kelowna site. It could also be completed until October 23 on Castanet, the local news and information site. Promotion for the survey appeared in local newspapers, radio and on Castanet.

Total Responses: There were 1,204 completed surveys, representing over 3,000 individuals. Each respondent represented one household.

FOCUS

The focus of this report is on the 678 household respondents who live below Kelowna's Core Needs Income Threshold (CNITS) based on Canada Mortgage and Housing (CMHC) statistics - representing approximately 1,765 individuals living in unaffordable housing.

Housing need is defined as households earning below \$42,000/yr (approx 80% of Kelowna median household income before tax), and spending 30% or more of their income on shelter. These households live below Kelowna's Core Needs Income Threshold (CNITS).

In Kelowna, the average rent for a 3 bedroom apartment requires a gross annual income of \$42,500; a 2 bedroom, \$38,500; a 1 bedroom, \$32,000; and a bachelor, \$25,000.

REPORT ON REMAINING RESPONSES

Analysis of the remaining 526 responses, that were screened out, is not provided here. Of the 526, 429 households reported annual before-tax earnings of over \$42,000 and another 97 indicated their shelter to income ratio (STIR) was below 30%.

More detailed housing statistics and related information are available at City of Kelowna (kelowna.ca), Canada Mortgage and Housing (cmhc.gc.ca) and BC Housing (bchousing.org).

ANALYSIS

Questions: The survey questions are adapted from those asked in a similar survey conducted by the City of Kelowna in 2006. (see page 38 of the Report from the City of Kelowna Affordability and Special Needs Housing Taskforce available at <http://www.kelowna.ca/CM/Page1601.aspx>). New questions included: how many times people moved in the past 5 years and costs related to food, transportation and childcare.

Data: The following tables present a picture of the 678 households that are experiencing affordability problems. All tables are for households unless otherwise specified.

Comments: Respondents were invited to describe their special housing needs; offer recommendations and general comments. The majority of respondents provided comments. Their responses are summarized under related tables.

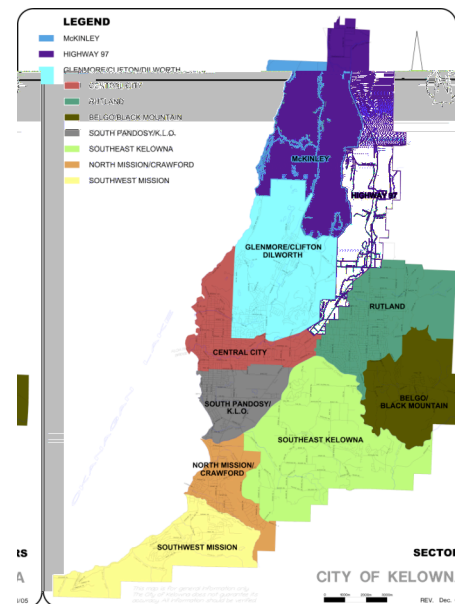
RESIDENCY

Where respondents live	# Households	Percent	# People	Percent
Central City	209	31%	502	28%
Glenmore	59	9%	167	9%
Highway 97	28	4%	75	4%
Mission	95	14%	255	14%
Rutland	148	22%	397	22%
Southeast Kelowna	16	2%	44	2%
Lake Country	48	7%	124	7%
Peachland	7	1%	18	1%
West Kelowna	50	7%	138	8%
Outside Central Okanagan	10	1%	32	2%
Don't know/no answer	8	1%	13	1%
Total	678	100%	1,765	100%

The composition of these areas is as follows:

- Central City
- Glenmore: includes McKinley, Glenmore, Clifton, Dilworth
- Highway 97
- Mission: includes South Pandosy, KLO, North and South West Mission
- Rutland: includes Rutland, Belgo, Black Mountain
- Southeast Kelowna
- Lake Country
- Peachland
- West Kelowna

Highest concentration was Central City, Rutland and Mission.



RESIDENCY cont'd

How long in Central Okanagan	Number	Percent
Less than 1 year	94	14%
1-4 years	158	23%
5-9 years	115	17%
10-14 years	83	12%
15+ years	227	33%
Don't know/no answer	1	0%
Total	678	100%

The largest share, at 33%, have been residents of the Central Okanagan for more than 15 years. 62% have lived here for more than 5 years.

Respondents identified the following barriers to permanent, suitable housing:

- Affordability was the primary barrier, followed by availability.
- Allowing children, meeting needs of people with disabilities, households with children, people with disabilities, and those with pets.
- Having to move farther away from needed amenities such as health care facilities, service providers, transportation, grocery stores etc. in order to access affordable appropriate housing. Other families are forced to leave the Okanagan all together.

"When you are third generation from the area, it's difficult to sever ties and move away. All our family is here but we are being driven into heavy debt trying to stay. We don't want to move but sometimes there is no other choice."

"As a family of four, we are very concerned. We love Kelowna dearly but are afraid we will not be able to raise our family here. The house prices have gone down a bit but not enough to justify buying with the current market."

Number of moves in five years	Number	Percent
No moves	48	7%
Once	114	17%
Twice	123	18%
Three or more	345	51%
Don't know/no answer	48	7%
Total	678	100%

This indicates a high mobility rate with 51% having moved three or more times in the last 5 years.

Related comments indicates stress and frustration associated with frequent moving due to:

- Landlord renovated and increased rent; sold house or converted apartments to condos
- Housing sub-standard, mould, poorly insulated, unsafe neighbourhood.
- Roommates or partner moved out and renting alone not affordable.
- Rent increases.

HOUSEHOLD DESCRIPTIONS

Household size	# Households	Percent
One person	193	28%
2 persons	195	29%
3 persons	111	16%
4 persons	73	11%
5 persons	40	6%
6 persons	33	5%
7+ persons	19	3%
Don't know/no answer	14	2%
Total	678	100%

57% are one and two person households. 41% are three or more person households

Household type	# Households	Percent	# Persons	Percent
One adult person	193	28%	193	11%
2+ adults/no children (17 and under)	247	36%	656	37%
1 adult with children	75	11%	200	11%
2+ adults with children	153	23%	706	40%
Don't know/no answer	10	1%	10	1%
Total	678	100%	1765	100%

Usually single persons and families predominate among those with affordability issues; however, 37% is a surprisingly high share of two or more adults with no children. 2+ adults does not necessarily indicate a couple; it could be a group of unrelated adults living together.

Current housing situation	Number	Percent
Own	118	17%
Rent apartment	131	19%
Rent townhouse/duplex/house	140	21%
Rent legal suite	53	8%
Rent illegal suite	34	5%
Rent a room	37	5%
Rent mobile home	23	3%
Staying temporarily with others	10	1%
Shelter, street, tent	91	13%
Move around	32	5%
Living with parents	4	1%
Don't know/no answer	5	1%
Total	678	100%

Majority at 65% are renters. 17% are homeowners and the remaining 18% represent a population that are homeless or part of the hidden homeless population.

HOUSEHOLD DESCRIPTIONS cont'd

Bedrooms needed	Number	Percent
1	221	33%
2	227	33%
3	134	20%
4	64	9%
5 or more	19	3%
Don't know/No answer	13	2%
Grand Total	678	100%

Most require one or two bedrooms. 32% require 3 or more bedrooms.

The appropriate size of unit required is governed by the following Federal/Provincial Occupancy Standards:

- There shall be no more than 2 or less than 1 person per bedroom.
- Spouses and couples share a bedroom.
- Parents do not share a bedroom with children.
- Dependants aged 18 or more do not share a bedroom.

Several respondents indicated it was a challenge to afford housing with enough bedrooms for their needs, particularly single parents. Primary barriers identified were low vacancy rates and landlord and strata policies around allowing children and/or pets.

NOTE: Though availability of units has increased with the recent economic downturn, rental costs have not come down significantly enough to become affordable to low income families and individuals.

"The government needs to step in and help curb some of the costs. Housing prices are way too high. It is so frustrating that I can't find a decent home for my family. My wife and kids are now forced to stay with her parents while I'm renting a room in a basement so I can afford to feed myself and my kids and pay our bills. Now I can only see my family once every weekend and it's all because of this so called affordable living that's being created but never seems to materialize..."

Willing to share?	Number	Percent
Yes	199	29%
No	460	68%
Don't know/no answer	19	3%
Grand Total	678	100%

Most respondents are not willing to share accommodation; however, to afford rent each month, many are having to share with roommates who are often strangers. Several indicated that having to share with people they don't know and may not be compatible with means "going through" several roommates and carrying the stress of having to find new roommates. Some families indicated having to share with other families in order to afford the size of unit they needed.

"I have to live with a roommate just to get by, as a single adult. I would prefer to live alone but that is not in the budget."

SHELTER TO INCOME RATIO (STIR)

Shelter to income ratio indicates percentage of before-tax income a household is paying for housing.

As indicated, the respondents in the report earn less than \$42,000 per year and spend more than 30% of their income on housing. Their income is below Kelowna's Core Needs Income Threshold (CNITS), which is based on Canada Mortgage and Housing (CMHC) statistics.

In Kelowna, average rent for a 3 bedroom apartment requires a gross annual income of \$42,500; a 2 bedroom, \$38,500; a 1 bedroom, \$32,000; and a bachelor, \$25,000.

BC's minimum wage remains at \$8/hour and income assistance begins at \$560/month, which includes a shelter allowance of \$375.

Some respondents with a gross annual income of \$35,000 or less may qualify for BC's Rental Assistance Program. They must have one or more dependent child and less than \$100,000 in assets. Additional information can be found at www.bchousing.org/programs/RAP.

Average annual income – before taxes	Number	Percent
Under \$6000	48	7%
\$6,000-11,988	122	18%
\$12,000-17,988	126	19%
\$18,000-23,988	105	15%
\$24,000-29,988	115	17%
\$30,000-35,988	76	11%
\$36,000-41,988	86	13%
Total	678	100%

Largest share of earned annual income is between \$6,000 and \$18,000, but quite a range. 59% of households earn less than \$24,000 a year before taxes and 76% earn less than \$30,000.

Housing costs (monthly)	Number	Percent
0-\$99	35	5%
100-299	11	2%
300-599	110	16%
600-899	112	17%
900-1199	160	24%
1200-1499	129	19%
1500-1699	60	9%
1700+	55	8%
Don't know/no answer	6	1%
Total	678	100%

\$0-99 range includes those who pay no rent or are homeless. Between \$900 - \$1199 are the most common monthly housing costs.

SHELTER TO INCOME RATIO (STIR) cont'd

"I am tired of seeing good people move away because they can not find affordable housing or obtain a livable wage."

"The city along with provincial and maybe federal governments to encourage more affordable rental properties (apartment buildings) and less high-end condos that people can't afford to buy, let alone rent."

STIR All Respondents

Shelter to Income Ratio	Number	Percent
Under 30%	49	7%
30-59%	309	46%
60-90%	220	32%
90%+	94	14%
Don't know/no answer	6	1%
Total	678	100%

- 60% are spending more than half their income on housing.
- Under 30% would include homeless/hidden homeless who might pay \$0.
- 14% reported paying about the same for housing costs as they report for income (included in 90%+).

STIR Respondents At Risk Of Homelessness

The following table shows those paying 50% or greater of their income on housing. This is the generally accepted definition for economic risk of homelessness. 60% of these households are at risk of homelessness according to this definition.

Homeless/at risk of homelessness	Number	Percent
STIR Under 50%	266	39%
STIR 50% or more	406	60%
Don't know/no answer	6	1%
Total	678	100%

Comments and Recommendations:

Most respondents provided comments and/or recommendations. Almost all described being in precarious housing situations and reflected feelings of frustration and anxiety around their housing and cost of living situations. Following are examples of typical comments:

"I really hope the government takes notice that this is a growing epidemic all over Canada and something needs to be done... too many families and individuals are suffering.."

"If we can not afford to live here (which is our current situation) soon we will be forced to leave the Okanagan."

SHELTER TO INCOME RATIO (STIR) CONT'D

INCOME

Income source	Number	Percent
Employment	345	51%
Income assistance or CPP or OAS/GIS	188	28%
Mix of income sources	34	5%
Other	31	5%
Pension (retired employee)	18	3%
Employment and income assistance	15	2%
Savings	14	2%
Employment and other	10	1%
Employment insurance	10	1%
Don't know/no answer	13	2%
Total	678	100%

Employment is a major source of income for over half of respondents. (plus others with a mix of sources).

"I make \$650 a month and my rent is \$500."

"I've been on the waiting list for subsidized housing for 6 years."

AFFORDABILITY OF A DOWN PAYMENT

Down Payment Amount	Number	Percent
None	337	50%
1- \$4999	182	27%
5000-9999	38	6%
10000-14999	16	2%
15000+	25	4%
Already own	43	6%
Don't know/no answer	37	5%
Grand Total	678	100%

The income of this sector is likely too low for ownership to be realistic. However, many respondents commented on their frustration that their expectations of entering the housing market were being dashed by high housing costs and low wages. Following are typical comments.

"My biggest barrier is saving for a down payment as all of my income is needed to simply get me through the month."

"With high rents and general cost of living, how can you save enough to come up with a down payment?"

"Kelowna housing is so expensive and the condos and townhouses are sold many times over to increase the cost, we don't even get a chance to get a foot in the door".

"If you can't rent somewhere at a reasonable price how can we get in to the market to buy? We pay more for rent than people do on mortgages but we can't get a mortgage without a down payment. I've given up."

THE COST OF FOOD, CHILD CARE AND TRANSPORTATION

All survey respondents in this report are core need households paying more than 30% of their income on housing. 60% were paying more than half their income on housing.

After the rent is paid there is often not enough left to adequately cover all other necessities such as; nutritious food, adequate childcare, health care and transportation. Many respondents described their efforts to meet these challenges.

The following three tables indicate what respondents paid each month for food, transportation and childcare. Related information and examples of the many comments from respondents are included with the data.

FOOD

Monthly cost for food	Number	Percent
\$50-199	152	22%
\$200-349	255	38%
\$350-499	139	21%
\$500-649	77	11%
\$650-749	21	3%
\$800+	26	4%
Don't know/no answer	8	1%
Total	678	100%

Food Security is defined as: a situation in which all community residents obtain a safe, culturally acceptable, nutritionally adequate diet through a sustainable food system that maximizes self-reliance and social justice. For more information, please visit www.okanaganfood.org

Poverty and Nutrition:

- Often have a consistently difficult time affording nutritionally adequate food.
- More families are reducing their food bills by accessing Food Banks so they can pay rent.
- The impacts of a poor diet can be detrimental to health, including risk of diabetes, heart disease and obesity.
- Children who do not receive adequate nutrition find it difficult to succeed in an academic environment.
- Access to healthy, locally produced food is often compromised by a lack of transportation, storage and cooking capacity.

Comments from Respondents

"In my house, we have priority's and they work in a list of this: RENT#1, then utility's then if its possible, stuff like phones and cable and then with what's left food."

"It would be nice to be able to access fresh produce, meat, eggs, milk etc. by way of a voucher or a store credit. Junk food is cheaper, but it is not healthy and the dental bill accumulated by eating only what you can afford as opposed to eating what is necessary for proper nutrition is a major issue."

"Utilities are far too high. I damn near live in the dark, freezing and still my power and heat bills are starting to consume into my food budget."

THE COST OF FOOD, CHILD CARE AND TRANSPORTATION cont'd

CHILD CARE

Of the 678 respondents, 274 indicated there were children in their household; therefore, the following table indicates childcare costs paid by only those households with children.

Monthly cost for childcare	Number	Percent
\$0-49	146	53%
50 – 199	40	15%
200-399	29	11%
400-499	14	5%
\$500+	25	9%
Don't know/no answer	20	7%
Total	274	100%

32% pay \$200 or more per month. 14% pay \$400 or more.

The fact that 53% of respondents pay less than \$50 per month on child care does not mean that they do not require child care. For many it may mean they cannot afford it. Comments from respondents related to childcare and information from Kelowna Child Care Society (KCCS) and Community Action for Children's Health (CATCH) provide clarity around access to childcare in the Central Okanagan.

Information provided by KCCS and CATCH

- There is a critical need for more affordable and available regulated childcare spaces in Kelowna due to high cost and long waitlists.
- Day care costs average \$876-\$908/month per child for infant toddler care, \$664/month per child for 3-5 year old care and \$346/month per child for before and after school care. 50% of Kelowna's child care providers offer no discounts for 2 or more children.
- Far more children require day care than there are spaces. Recruitment and retention of qualified staff is a primary issue as trained child care educators earn on average between \$13 and \$15 per hour.
- Fixed drop off and pick up times do not accommodate many families.

Comments from a respondent

The following response speaks for the several respondents who commented on challenges they were experiencing with both cost and availability of child care.

"Standardize daycare charges. An acquaintance was just quoted \$1500/child/month for daycare. Another acquaintance runs unlicensed care for \$800/month with NO extra activities and NO meals. Any centre I have called charges a minimum of \$800 (IF your child is 2 years or older AND potty-trained, AND you bring your own meals/snacks), and were very strict on a 8-5 schedule."

THE COST OF FOOD, CHILD CARE AND TRANSPORTATION cont'd

TRANSPORTATION

Monthly costs for transportation	Number	Percent
\$0-99	207	31%
\$100-199	183	27%
\$200-299	128	19%
\$300-399	57	8%
\$400-499	41	6%
\$500+	48	7%
Don't know/no answer	14	2%
Total	678	100%

The Kelowna Regional Transit System provides a range of bus services and fare options, including service to Lake Country, West Kelowna and Peachland. Although services continue to improve, most comments from survey respondents indicated that access to public transit was more significant than cost. Specific issues related to getting to work, dropping off and picking up children and getting to appointments.

Those with cars indicated the cost of maintenance and gas made it difficult to afford having a car – but they needed it for work, etc.

Comments from respondents

“Take a closer look at transport & roadways & implement a better public transit system. This one currently ignores areas outside of the central routes.”

“Put the buses in more districts. Make them more accomodating for those with disabilities. More handy darts would be great.”

ACKNOWLEDGEMENTS

PHAT-CO gratefully acknowledges the following for their support of this survey.

- ◆ National Homelessness Strategy for funding
- ◆ City of Kelowna for making the survey available on its website and for providing ongoing support, data and advice
- ◆ Castanet.net for in-kind web support
- ◆ PostNet for in-kind printing support
- ◆ The Poverty Subcommittee for leading this initiative

REFERENCES AND RESOURCES

BC Housing	bchousing.org
Canada Mortgage and Housing Corporation	cmhc.gc.ca
Canadian Mental Health Association	kelowna.cmha.bc.ca
City of Kelowna	kelowna.ca
Community Action Towards Children's Health	catchcoalition.ca
Kelowna Child Care Society	kelownachildcare.com
Kelowna Community Food Bank	kelownafoodbank.com
Kelowna Community Resources	kcr.ca
Kelowna Women's Resource Centre	kelownawomensresourcecentre.com
Kelowna's Gospel Mission	kelownagospelmission.ca
Okanagan Boys & Girls Clubs	boysandgirlsclubs.ca
Outreach Urban Health	interiorhealth.ca
Statistics Canada	statcan.gc.ca

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