

EASTMAN REGION IMMIGRATION PARTNERSHIPS

# **HOUSING REVIEW 2022**



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Funded by:

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## **Executive Summary**

This report presents findings from a housing review conducted in the Eastman region in the summer and fall of 2022. The goal of the housing review is to provide an opportunity for both newcomers and community stakeholders from various communities and municipalities, to share their perspectives on housing in the Eastman region. The focus of the review is to identify challenges and successes, to determine short- and long-term needs for the region.

The housing review touches on labour market needs and how housing is a key factor for successful settlement of newcomers to Canada. This has significance as Canada has recently released its *Immigration Levels Plan*, a guide for the number of immigrants Canada aims to welcome over the next three years. Canada will aim to welcome 465,00 new immigrants in 2023. The target will rise to 485,000 in 2024, and with further rise to 500,000 in 2025. Increased numbers of new immigrants to Canada could put more pressure on already scarce affordable housing.

One of the key findings of the review is that the greatest housing challenge in the Eastman region is availability. Supply is limited, particularly in the municipalities surrounding the City of Steinbach. Available houses are not on the market very long before they are sold. While there are residential lots available for sale in some areas, the cost to build has increased, and there is a short supply of tradespeople in the regions. In some areas, there is a shortage of entry-level housing that are either adequate or suitable.

Rental costs are affordable compared to the rest of the country, but may still be unaffordable depending on the household income. Large families are faced with limited options of rental properties that accommodate their household, are suitable, or affordable.

The intention of this housing review is to provide an overview of the responses to key questions in the survey, to identify opportunities and make recommendations to develop a platform for future conversations that look more deeply at short- and long-term housing strategy for the region.



#### Introduction

The Eastman Regional Immigration Partnership (ERIP) is one of many Local Immigration Partnerships in communities across Canada, created to help build community-based partnerships for stronger welcoming communities. Under the leadership of the ERIP Coordinator as well as Eastman Immigrant Services (EIS), a housing review was conducted during the summer of 2022.

Housing is an important social determinant of health and well-being. Having an affordable and safe place to live is a key part of the environment individuals and families need to succeed, grow and live in dignity.

The goal of the Eastman region housing review is to provide an opportunity for both newcomers and existing community stakeholders to share their perspectives on current housing challenges.

The Eastman region as a whole has experienced population growth in the last 10 years. Table 1 below provides census population data and percentage increases.

Table 1

| Name of Community or Municipality | 2011   | Increase | 2016   | Increase | 2021   |
|-----------------------------------|--------|----------|--------|----------|--------|
| Beausejour, Town                  | 3,126  | 3%       | 3,219  | 2.7%     | 3,307  |
| Brokenhead, RM                    | 4,635  | 10.5%    | 5,122  | 5.7%     | 5,414  |
| Grunthal, LUD                     | 1,640  | 2.4%     | 1,680  | 6.1%     | 1,782  |
| Hanover, RM                       | 1,4026 | 12.2%    | 15,540 | 10.8%    | 17,216 |
| La Broquerie, RM                  | 5,198  | 16.9%    | 6,076  | 10.7%    | 6,725  |
| Mitchell, LUD                     | 1,656  | 37.6%    | 2,279  | 24.1%    | 2,828  |
| Niverville, Town                  | 3,540  | 30.2%    | 4,610  | 29%      | 5,947  |
| Pinawa, Town                      | 1,444  | 4.2%     | 1,504  | 3.6%     | 1,558  |
| Piney, RM                         | 1,720  | 0.3%     | 1,726  | 6.8%     | 1,843  |
| St-Pierre-Jolys, Village          | 1,099  | 6.5%     | 1,170  | 11.5%    | 1,305  |
| Ste. Anne, Town                   | 1,626  | 30%      | 2,114  | 36.8%    | 2,891  |
| Ste. Anne, RM                     | 4,686  | 6.8%     | 5,003  | 11.6%    | 5,584  |
| Steinbach, City                   | 13,524 | 17%      | 16,022 | 11.1%    | 17,806 |
| Stuartburn, RM                    | 1,535  | 7.4%     | 1,648  | 5%       | 1,731  |
| Taché, RM                         | 10,284 | 12.5%    | 11,568 | 3%       | 11,916 |

Source: Statistics Canada, 2016 Census Profile and Statistics Canada, 2021 Census Profile

With this population growth come an increased demand for housing.

Information for the review was collected via a survey of newcomers living in Canada up to 10 years, and through interviews of high level community stakeholders in the Eastman region.<sup>1</sup>

In all, 25 newcomers and 8 community stakeholders from different communities participated. The Eastman region is large, with varying degrees of growth and ability to respond to housing needs. It is important to note that the participants represented a diverse group people representing various organizations within the Eastman region. This representation provides a glimpse into current challenges and areas for improvement.

Although the survey results provide useful insight into some of the gaps, challenges, and successes that exist, it is important to note that the survey responses represent the perspectives of a small group of people and are by no means comprehensive in scope.

This report is a compilation of information gathered from participants that provides an overview of the key findings collected throughout this project, with recommendations for the future. (See appendix for full reports, community stakeholder interview questions, and the newcomer survey).

Ultimately, the report represents the interpretations and analyses of the consultant and ERIP.

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<sup>&</sup>lt;sup>1</sup> For the purposes of this study, "newcomers" are defined to include all Permanent Residents, Refugees, Refugee Claimants, Temporary Foreign Workers (TFW), Naturalized Citizens, and International Students that have been in Canada from 1 day to 10 years.

## **Key Findings**

Rooted in a need to address the economic and community development goals of the communities in the Eastman region, an underlying thread is that newcomers to the region are an important factor for the population growth that will meet labour market needs.

One of the key factors that make a community attractive to live and work in, is the availability, affordability, and suitability of housing. Newcomers to Canada face an array of needs: employment, housing, transportation, child care, language training, and others depending on their individual and family circumstances. Finding housing is an important element that affects successful settlement the newcomers in Canada.

When we talk about housing, the terms available, affordable, adequate, and suitable are often used. To clarify, in Canada, housing is considered affordable if it costs less than 30% of a household's before-tax income. Housing suitability refers to whether a household has enough bedrooms according to the National Occupancy Standard requirements. (The National Occupancy Standard was created by the federal, provincial and territorial governments in 1980). The National Occupancy Standard continues to be used in Canada as an indicator of housing suitability as part of the overall assessment that determines if a household is in core housing need. Core

Amidst all settlement needs for new immigrants, securing housing is central, affecting employment, social and cultural needs.

housing need happens when housing is unsuitable, inadequate or unaffordable and the household can't afford alternative housing in the local market. Adequate housing refers to whether the home requires major repairs.

Down payment sizes coupled with climbing interest rates affect the new immigrant's ability to own a home.

Newcomers interviewed for the housing study indicated the biggest challenges were to save enough money for a down-payment on a house, and to find available, affordable housing. A majority of interviewees who rent a home indicated they pay up to \$1,000.00 per month in rent. Depending on the household income, this can be higher than 30%.

Rental costs vary between communities depending on location and availability. In the southern part of the region, rental costs are relatively low. In areas where there are new apartment buildings, providing more options for available space, rental costs are higher due to increased construction costs.

During our review, we discovered housing availability is the main housing challenge in the Eastman region, particularly in the municipalities. Municipal community and economic development offices recognized that limited housing supply affected attraction and retention of newcomers to their area, which in turn, affected employers and future growth.

There are several initiatives such as new 55+ complexes that are dotted throughout the region. The movement of people into these facilities provides available housing in the region, however, many of these complexes are already full with a wait list. Some communities reported new home starts by homeowners, but highlighted the need to attract developers to communities in the region to build rental units and housing for first-home buyers. One interviewee said that an apartment complex under construction already has no vacancies and it hasn't been completed yet.

#### Conclusion

In recent years, communities and rural municipalities in Manitoba have seen an increase in the number of newcomer arrivals drawn by employment opportunities and attracted to the lifestyle of a rural community.

This study provided an opportunity to learn about housing challenges and successes in the region, and to identify gaps and/or opportunities for the future. The information collected through this study indicate the housing challenges that both newcomers and the communities are currently experiencing.

Newcomers indicated three main challenges as follows:

- To save enough money for a down payment required to purchase a new home.
- To find available housing (especially in the municipalities)
- To find affordable, suitable housing.

Community stakeholders revealed three main challenge as follows:

- A shortage of available housing, particularly in communities in the municipalities outside of Steinbach.
- A need to find developers to invest in housing in the municipalities outside of Steinbach.
- The need for more 3–4 bedroom units to accommodate larger families (suitability).

## **Opportunities and Recommendations**

This section will outline areas of opportunities and recommendations to address housing needs in the region.

Both newcomers and community stakeholders indicated the greatest challenge is available housing in the Eastman region, particularly in the municipalities.

 There is a great opportunity for collaboration to have a deeper conversation about housing availability needs in the Eastman region. It is recommended that a Regional Housing Committee be organized with representatives from various communities, including the newcomer voice.

Newcomers indicated that is was difficult to save enough money for a down payment for a home.

 This is a huge challenge not only for newcomers to Canada, but for everyone, especially with interest rates climbing. The Regional Housing Committee, municipal, provincial and federal governments, and financial institutions could put together a sustainable strategy to assist first-time home owners.

Newcomers also indicated it was a challenge to find affordable, suitable housing. (not limited to, but particularly for large households)

 We recommend that ERIP and EIS continue to provide information and education on rental supplements available in Manitoba, and information about buying a house in Manitoba.

Community stakeholders indicated they also need to create more 3 and 4-bedroom rental options to accommodate large family sizes.

• Municipal governments, community and economic developers, ERIP and EIS participate to discuss more deeply the housing needs in their community to develop a housing strategy and to create a stronger voice for the Eastman region.

Community stakeholders indicated they need to attract housing developers to invest in their communities

• It is recommended that a Regional Housing Committee could conduct a formal assessment of housing needs in the region, to present to developers, and municipal, provincial and federal governments.

## **Appendices**

## Appendix A



## SURVEY: HOUSING CHALLENGES FOR NEWCOMERS IN THE EASTMAN REGION

| 1. How long have you been in Canada?1-5yrs6-10yrsmore than 10                 |   |
|---|---|
| 2. What city/town do you live?  |   |
| 3. Are you:rentingown a homelive w/ family                                    |   |
| 4. If you're renting, is your monthly rent too expensive for you? Y / N       |   |
| <b>a. What is your monthly rent?</b> \$500-750\$800-1000above \$1000          |   |
| b. How many are you in the family?  |   |
| c. What is the biggest hindrance for you to own a house?                      |   |
| doesn't want to own a housedown paymentincome                                 |   |
| nothing to buyother:  |   |
| 5. Any comments or suggestions on how we can help with affordable housing?    |   |
|   | _ |
|   |   |
|   |   |
| 6. Are you willing to be contacted for further questions about housing? Y / N |   |
| If Yes, Name: Phone number/Email:   |   |

#### **Appendix B**



- 1. Is your area experiencing housing challenges? If so, how would you describe these challenges?
- 2. If people are interested in renting, are rental properties available? Is the cost of rent affordable? Do available rentals have adequate space to accommodate various family sizes?
- 3. If people are interested in owning a home, are housing options available? Are newcomers able to get financing?
- 4. In your opinion, what are the biggest challenges for newcomers to find available, adequate, and affordable housing in your community/area?
- 5. What do you think is the biggest challenge for your community to provide housing? What housing initiatives are currently underway or planned for the future?

#### Appendix C

## **Overview of Newcomer Housing Feedback**

The newcomer housing feedback was gathered during the Summer in the City event in the City of Steinbach held June 17-19, 2022. Twenty-five individuals participated in the housing review which was conducted via questionnaire and interview by members of the Eastman Immigration Partnership (ERIP) Housing Working Group.

The majority (84%) of newcomers who participated in the housing review have lived in Canada for 10 years or less. Of these, 52% have resided in Canada 5 years or less. The majority (76%) live in Steinbach, 16% live in the Eastman region, and 8% were visitors to the region.

A large percentage of respondents (68%) were families with between 3 and 5 members. A majority (56%) of respondents rent a home, 36% own their home, and the remaining respondents live with family.

To the question, "If you are renting, is your monthly rent too expensive for you?". Respondents were equally divided between yes and no answers, with just over 50% paying up to \$1,000.00 per month for rent.

When asked about home ownership, 60% of respondents indicated that they didn't have enough family income to purchase a house, and 52% didn't have enough income for a down payment.

#### Response to open question regarding housing:

- Find ways to make housing more affordable
- Reduce down payments and interest rates
- Housing costs are too high
- Increase wages
- Reduce the cost of renting and rent increases
- More information on renting and buying a home
- First time home owner plans

#### **Key findings:**

- Over half of respondents had lived in Canada for 5 years or less and did not have enough family income for a down payment or to purchase a home.
- A majority of respondents rent a home and pay up to \$1000.00 per month for rent
- Two challenges to home ownership for newcomers are:
  - Available, affordable housing
  - o It is difficult to save enough money for a down payment

#### Appendix D

## **Overview of Stakeholder housing review 2022**

The community stakeholder housing review was conducted during a 3-week time period from August 30 until September 14, 2022. Eight individuals from various communities and organizations participated in the housing review that was conducted via survey with follow-up interviews by a consultant, contracted by ERIP.

The community stakeholders represented the City of Pinawa, the RM's of La Broquerie, Piney and Stuartburn, the EDO of Beausejour/Brokenhead Development Corporation, a local Steinbach realtor, the Executive Director of Manitoba Non Profit Housing Association, New Journey Housing.

The purpose of the housing review was to identify current housing challenges in the Eastman region from the perspective of community stakeholders, and to learn about community initiatives that address current and future housing needs.

A majority of the participants indicated that limited supply was the main housing challenge their community was currently experiencing, both in homes for purchase and rentals. In particular, municipalities were affected more than the City of Steinbach. In municipalities, houses are sold very quickly, and, depending on location, within a range of a few days to a few weeks. In many municipalities, any new home builds were by homeowners not developers, so people desiring to purchase a house need to act quickly, because very few houses are on the market. One participant indicated that the community needs a developer to build homes to address the demand for housing, but it has been a challenge to attract developers to the municipalities.

With regard to rentals, while the consensus was that the rentals are affordable, especially in areas that are economically depressed, there just isn't a lot of inventory available. In one municipality, a realtor purchased Manitoba Housing homes to be renovated for rentals, and keeping the cost relatively low. The majority of apartments are 1 and 2-bedroom apartments, with limited supply of 3 and 4-bedroom units in townhouses. For new developments, the current high cost of building means higher rental costs that can't compete with older buildings. Currently, in Steinbach, rental costs are from \$750 to a ceiling of \$1700, with an average rent of approximately \$1100 per month. Overall, it was expressed that rentals are competitive and lest costly than Winnipeg.

When asked about financial assistance for newcomers, most respondents were not aware of financial programs that existed specifically for newcomers in the region. There are challenges for everyone as interest rates increase. One respondent spoke of an incentive program for first home buyers in Steinbach, was open to everyone, not specifically for newcomers. There is an incentive program in Woodridge where lots are 20k for 2 acres, and if a home is built on the lot within a certain time-frame, the owners receive either 5k or 10k rebate. Other financial assistance such Manitoba's Rent Assist and other rent supplemental programs exist for qualifying applicants.

All respondents indicated that the biggest challenge for newcomers was availability. In the Eastman region, most realtors are in Steinbach, therefore to find out about available properties, unless tapped into the local market, newcomers are not able to find out about opportunities. In some municipalities, there are no shortage of available lots, mostly serviced, but people either have no interest in building, the skills to manage a new build, or access to tradespeople.

A majority of the respondents indicated that a challenge for communities within the Eastman region was to get developers to build rental units such as apartments, multidwelling units, and single family homes.

There are new initiatives under development, but many of them are 55+ units such as the East Borderland Housing Co-op – comprised of RM Piney, Sprague Chamber of Commerce. This initiative is a community services co-op formed to build 20 seniors units for assisted living that would keep people in the community, move them out of their homes, therefore opening up housing options for new community members. East Borderland already has community housing 55+ in Vita, affordable, subsidized suites, 15 units, all full.

There is a new housing initiative for multi-dwelling homes in early stages in Pinawa, and a new 60+ housing complex that is full and has a wait list.

Steinbach Credit Union has an arrangement with a realtor and developer to build homes for first time buyers, down payment is lower. Timberline Community Housing building is building a 20 bed assisted living complex near Sprague.

#### **Key findings:**

- The biggest housing challenge is availability, especially in the municipalities
- There is a need for developers to build homes and rental units
- While there are new building initiatives in the future, they don't address immediate needs

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