

DATE OF MEETING July 5, 2021
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SUBJECT **RENTER AND LANDLORD EXPERIENCE SURVEY**

OVERVIEW

Purpose of Report:

To provide Council with a summary of the results from the renter and landlord surveys conducted this spring.

BACKGROUND

The City of Nanaimo conducted three online surveys related to rental housing in Nanaimo. The surveys were open for approximately three weeks from 2021-APR-21 to 2021-MAY-12:

1. Renter's Experience Survey;
2. Landlord Survey; and
3. Short-Term Rental Survey.

Surveys were promoted through press releases, social media, cross REIMAGINE Nanaimo promotion, and stakeholder mailing lists (including to REIMAGINE subscribers, property management companies and apartment building owners). Paper surveys and online survey links were also delivered to ten rental apartment buildings located throughout Nanaimo.

During phase one of the REIMAGINE process, over 35% of questionnaire participants noted they could not easily find housing that suits their needs, while over 55% supported prioritizing affordable housing as a top social priority. Supporting affordable rental housing was frequently mentioned throughout the engagement process. The surveys build on the feedback gathered through REIMAGINE Nanaimo Phase 1 by allowing for more in-depth understanding of the challenges and opportunities Nanaimo renters and landlords currently experience. Staff will use the survey results to inform policy development.

Furthermore, conducting the renter and landlord surveys fulfils a recommendation of the Health and Housing Action Plan (HHAP) endorsed by Council on 2021-FEB-22. Given the opportunity to target the same groups of people for feedback, the surveys were run concurrently with a survey on short-term rental accommodation bylaw changes. The short-term rental accommodation project initiated in 2020 is an action of the Affordable Housing Strategy (AHS). The results of this survey will be included in a separate report to Council.

DISCUSSION

The City of Nanaimo's vacancy rate (October 2020) is currently 1%, well below the 3 to 5% vacancy rate typically considered for a healthy rental market. The results of the renter and

landlord surveys are what would be anticipated from a rental market with a low vacancy rate, coupled with increasing gaps between income levels and housing affordability for some sectors of the community. Generally, renters noted a lack of available rental housing and indicated those available are often unaffordable. The majority of landlords get many applicants for their rental units; they often have challenges finding tenants they consider suitable.

Landlord Survey

There were 394 responses received for the landlord and property manager survey. A visual (infographic) of the landlord survey highlights is provided as Attachment A with a more detailed summary of responses provided as Attachment B.

The vast majority of those responding to the landlord survey were landlords with one or more units to rent (92%) versus property managers managing other people's property (2%) or those that both rent their own property and work as a property manager (6%). The majority indicated that they rent out a secondary suite (59%) and/or a single-family dwelling or duplex (50%). A smaller proportion (12%) of landlords indicated they own or manage a multiple-family apartment building or buildings.

Finding suitable tenants was a challenge for 45% of the respondents; however, only 4% of those respondents indicated this was due to a lack of applications. 31% of landlords stated they receive too many applications, and noted they considered many of the applicants "unsuitable" (39%) or had missing or inadequate references (37%). Only 16% of landlords indicated they have challenges keeping tenants. When asked to identify the top three challenges they face in keeping and managing tenants, the landlords chose the following three issues in order:

1. Ending tenancy/ challenges with the *Residential Tenancy Act*
2. Damage to Property; and
3. Tenants paying rent on time

While 17% of the responding landlords indicated some or all of their tenants currently receive rental support, 50% indicated they are not interested in renting to tenants that receive rental support from government or non-profit service providers. The remaining 33% indicated they are interested in learning more about rental support programs, and through the survey, were directed to a BC Housing link for more information.

Landlords were also asked, "What could the City of Nanaimo do to support landlords while encouraging rental housing?" Responses included the following frequent themes:

- Support a more collaborative approach between renters, landlords, and the City
- Provide information and resources for landlords and renters
- Manage Short-Term Rentals (comments both to allow and restrict STRs)
- Advocacy for changes to the *Rental Tenancy Act*.
- Tax/ utility breaks for rental housing
- Increase density
- Provide a "good tenant" list/ renter registry
- Support authorization of illegal suites: reduce building and zoning restrictions for legalizing a suite
- Support more affordable housing

Renter Survey

There were 465 eligible responses to the renter survey, with 397 completing all questions in the surveys. An additional 68 respondents indicated they are not renters and as such were not eligible to complete the renter survey. A visual (infographic) of the renter survey highlights is included as Attachment C, with a more detailed summary of responses provided as Attachment D.

The majority of renters (76%) responding to the survey experienced challenges in finding rental accommodation in Nanaimo, with nearly all identifying high rent (95%), and lack of available rentals (86%) as top barriers to finding rental accommodation. In addition, a lack of pet-friendly rentals (67%) was also noted as a barrier to finding rental accommodation and also mentioned frequently in the survey comments.

The majority (78%) of renter survey respondents noted they spend more than 30% of their household income on rent, with 28% spending more than 50% of their income on rent. Rental affordability experts, including the Canadian Mortgage and Housing Corporation and BC Housing, recommend renters pay no more than 30% of their income on rent. The intent of this 30% threshold is to allow the renter's remaining income to be available for other basic living expenses. The survey results show that the majority of survey respondents do not have affordable rental rates based on their income levels.

Family Rental Housing

Of those that responded to the question on number of children in the renter survey, 101 (24%) have one or more children (under 18 years old) living with them. A summary of responses from renters with children is included as Attachment E.

More of the respondents with children indicated they have experienced difficulty finding rental accommodation (85%) than those without children (73%). Lack of family-friendly rentals was mentioned as a barrier to finding rental housing by 23% (78/397) of the total survey respondents. Many of the respondents with children mentioned the lack of yard space and nearby amenities for children as important. Anecdotally, these comments may have been influenced by an increased priority placed on having outdoor play space as part of housing due COVID social distancing limits.

The Affordable Housing Strategy supports encouraging larger two- and three-bedroom units appropriate for larger and/or extended families within new multi-unit residential developments.

The survey results will inform the development of a Family-Friendly Housing policy, which is a short-term goal within the Affordable Housing Strategy. This work has been initiated as part of Staff's 2021/2022 work plan.

Accessible/Adaptable Housing

Forty (12%) respondents noted they have had difficulty finding a suitable rental as "available rentals are not suitable to my abilities". Within the comments, a number of respondents shared their experience about facing barriers to finding housing as a person with a disability.

Developing a policy that requires a minimum percentage of residential units as part of a rezoning application to be either accessible or adaptable is included as a medium-term goal of the Affordable Housing Strategy and is included within Staff's 2021/2022 work plan. Accessibility means creating a home that is user-friendly to people of all ages and abilities, whereas adaptability means thinking ahead during the construction of the house to ensure it can easily be accessible later if required.

CONCLUSION

The results of the renter and landlord survey will be used to inform the REIMAGINE Nanaimo policy review, which will also align with the development of Family-Friendly Housing and Adaptable/Accessible Housing policies, as well as other Affordable Housing implementation actions going forward. |

SUMMARY POINTS

- The City of Nanaimo conducted surveys to hear from both renters and landlords regarding their experience with rental housing.
- The survey results are consistent with what would be expected in a rental market in which the demand for rental housing exceeds the supply, and where the rental rates are unaffordable for the income levels of renters.
- Survey results will be used to inform the REIMAGINE Nanaimo policy review and align with the development of Family-Friendly Housing and Adaptable/Accessible Housing policies.

ATTACHMENTS

ATTACHMENT A: Landlord Survey Highlights
ATTACHMENT B: Landlord and Property Manager Survey Response
ATTACHMENT C: Renter Survey Highlights
ATTACHMENT D: Renter Survey Responses
ATTACHMENT E: Renter Survey - Families with Children

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