

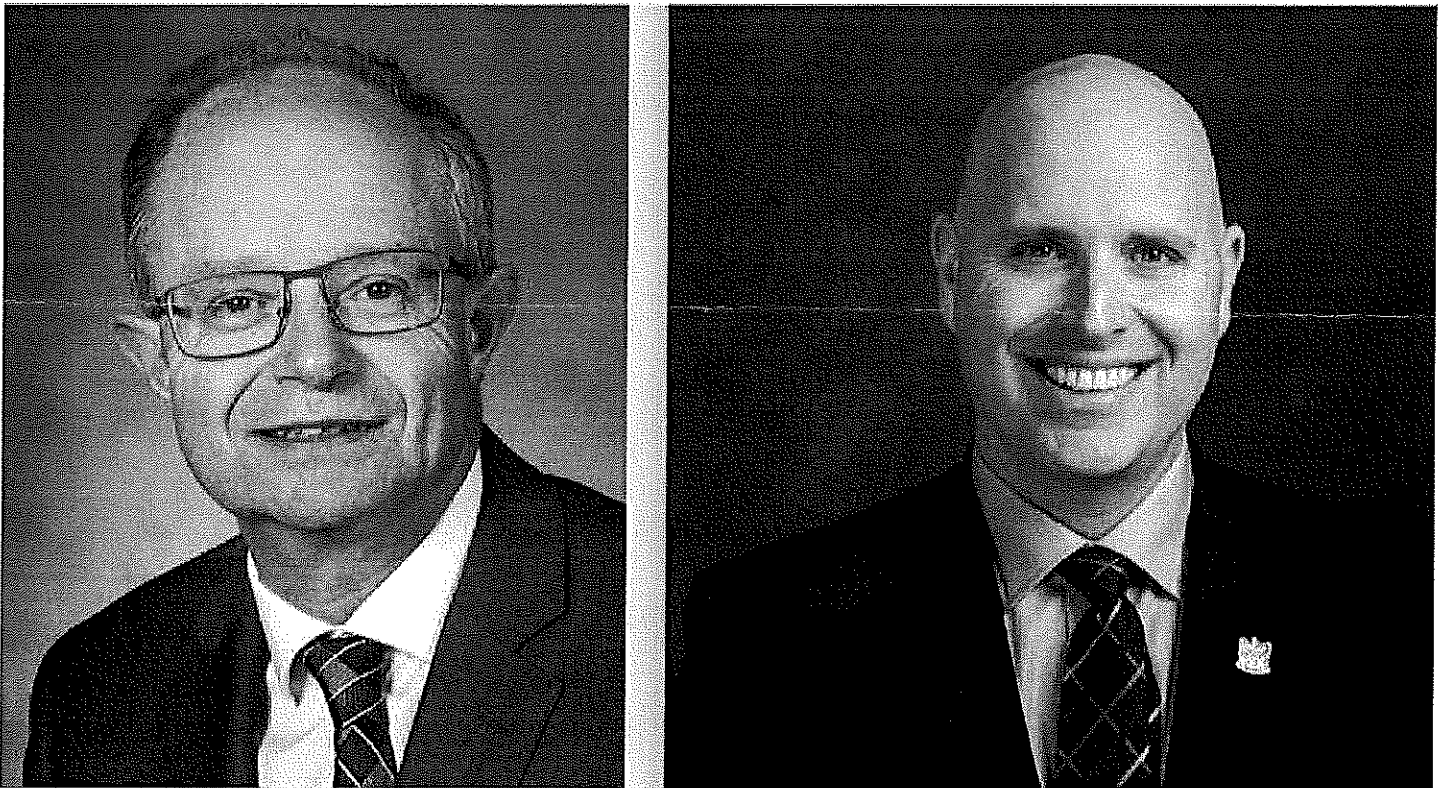
CMHC survey indicates vacancy rate in P.E.I., Charlottetown starting to climb

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Published: Jan 21 at 6:46 a.m.

Updated: Jan 21 at 10:06 a.m.



Ernie Hudson, provincial Social Development and Housing minister, left, and Greg Rivard, chairman of Charlottetown's planning committee. - Contributed

CHARLOTTETOWN, P.E.I. — The availability of housing is on the increase on P.E.I., according to the Canada Mortgage and Housing Corporation's 2019 rental market survey.

The survey, released last week, shows the vacancy rate in P.E.I.'s capital city has risen from a woefully low 0.2 per cent in October 2018 up to 1.2 per cent in October 2019. Provincially, the

vacancy rate is the lowest in the country at 1.2 per cent, but has risen from 0.3 per cent in 2018.

Social Development and Housing Minister Ernie Hudson says his department is encouraged by the report.

Hudson said 366 affordable housing units have been announced and some are under construction. So far, 53 have been completed and residents moved in. The rent is based on 25 per cent of the tenant's income. All of the units will go to Islanders on the housing registry. He added that the recent capital budget added 100 new government-owned social housing units, also with rent at 25 per cent of a tenant's income.

"There is also the Affordable Housing Development Program to encourage private developers to add affordable units to their construction projects," Hudson said.

"We've increased the budget for mobile rental vouchers so that Islanders can maintain their current units as affordable. There are almost 1,000 Islanders being supported through these mobile rental voucher arrangements."

By the numbers

Following is vacancy rate information based on survey by Canada Mortgage and Housing Corporation (CMHC):

- P.E.I., 1.2 per cent; Charlottetown, 1.3 per cent; Summerside, 1.1 per cent; Cornwall, N/A; Stratford, 0.9 per cent
- Vacancy rate in Charlottetown — 1.8 per cent, 2016; 0.9 per cent, 2017; 0.2 per cent, 2018; 1.3 per cent, 2019
- Toronto, 1.5 per cent; Halifax, 1.1 per cent; Montreal, 1.5 per cent; Ottawa, 1.8 per cent; Fredericton, 1.3 per cent; Vancouver, 1.1 per cent
- The CMHC survey targets only privately initiated rental structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent levels, turnover and unit data for all sampled structures
- The survey is conducted by a combination of telephone interviews and site visits and information is obtained from the owner, manager or building superintendent.
- The survey is conducted during the month of October and the results reflect market conditions at the time

The province has also identified government land that could support new government units as well as private developer builds. For example, there is the Kings Square Housing Corporation project on Acadian Drive in Charlottetown and new government builds in Souris and Summerside.

Finance P.E.I. has also been providing low-interest loans to get private developers to build and add affordable units to their construction — progress possible by all the partners working together, the minister said.

Coun. Greg Rivard, chairman of Charlottetown's planning and heritage committee, said things are heading in the right direction but was quick to add there is still a lot of work to do.

"Let's be honest, this number was just released and it's not going to happen overnight. In order to get to step three on the staircase, most people have to take steps one and two," Rivard said.

The councillor said, simply put, it's going to take time for the construction industry to respond to the demand.

"It's certainly not the optimum goal," he said, referring to the 1.2 per cent number, "but, again, in order to get to the goal you have to start somewhere and a 1.1 per cent increase to a vacancy rate that was desperately low at 0.2 per cent, I think, is fantastic."

Rivard said this progress is based on the completion of 170 new units in the city and, according to CMHC, there are another 428 units under construction. The city anticipates it can double that output next year if the labour is there.

Combine that with the fact the city is working on a bylaw to regulate short-term rental properties — which could make more units available — the vacancy rate has the potential of taking a dramatic jump in the next year or two.

"As the vacancy rate continues to climb, availability and affordability does as well, which is great news for Charlottetown," Rivard said.

"We certainly understand and appreciate that we, as a city, have a lot of work ahead of us but these numbers are very encouraging. Charlottetown has experienced record growth over the last number of years and the response by developers, the province, the city and other partners has been outstanding."

New housing

Sample of what's happening in Charlottetown with housing availability:

In 2019, 170 new units were completed.

The breakdown:

- 57 single-detached
- 26 semi-detached
- 26 ROW housing
- 61 apartment

Currently under construction:

- 40 single-detached
- 40 semi-detached
- 51 ROW housing
- 297 apartment

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Total of 428 units in the works

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