



MEMORANDUM

Town of Tecumseh

Housing Needs Assessment & Affordability Update

1. Introduction

The Town's Housing Action Plan was adopted by Council on August 8, 2023. Since that time, a new Housing Needs Assessment Report has been prepared for the County of Essex, and for all seven local county municipalities (including the Town of Tecumseh).

This new report dated May 2025 was prepared by SHS Consulting Inc, a firm that has Canada-wide experience and knowledge in all aspects of housing policy and applied research. It was presented to County Council on June 4, 2025.

The County Housing Needs Assessment Report provides information related to housing demand, supply and affordability trends across the County of Essex, with focused profiles for each of its seven local municipal partners: Amherstburg, Essex, Kingsville, Lakeshore, LaSalle, Leamington, and Tecumseh.

It includes population and household trends, the existing housing stock, analysis of affordability challenges, and insights into where needs are greatest. These findings are intended to inform future strategies, investments, planning and policy efforts related to housing and community development across the County.

Section 2 of this memorandum presents a high level summary of the key takeaways from this report, with a particular focus on how they pertain to Tecumseh.

Section 3 presents information from Statistics Canada, Abacus Data, and Royal LePage pertaining to how housing affordability challenges are impacting young Canadians and renter households.

2. Summary and Key Takeaways from County of Essex Housing Needs Assessment Report (May 2025)

In the Canadian context, a commonly accepted benchmark for measuring affordability is where a household spends no more than 30% of its gross household income on housing costs.

This is referred to as the shelter-cost-to-income ratio, or STIR, and is a key indicator of households facing housing affordability issues. Shelter costs (where applicable) include mortgage payments, rent, property taxes, condominium fees, as well as costs of electricity, heat, water, and other municipal services.

The table below provides Census Canada data from the most recent census (2021 data for both the Town of Tecumseh and the County of Essex), identifying the actual number and the percentage of all households spending more than 30 percent and 50 percent of their income on housing.

This data highlights that 1,000 of the 8,900 households living in the Town of Tecumseh are facing housing affordability issues.

Indicator	Tecumseh		County of Essex	
	(#)	(%)	(#)	(%)
Affordability Trends				
Households Assessed ¹	8,900	99.5%	71,395	99.8%
STIR 30% or more	1,000	11.2%	8,900	12.5%
STIR 50% or more	335	3.8%	2,865	4.0%
Households Assessed ¹	8,790	98.3%	69,675	97.4%
In Core Housing Need	270	3.1%	3,200	4.6%

Ownership housing in the County of Essex is largely unaffordable for households of all income levels.

In the affordability table below, each decile represents 10% of the total households in the County in 2021, or approximately 7,150 households.

According to the resale prices derived from July 2024 Windsor-Essex County Residential Market Activity and MLS Home Price Index Report from the Windsor-Essex County Association of Realtors, the average resale price for all sold dwellings in the County would be unaffordable for households below the eight (8th) income decile (households with incomes below \$138,548), while newly constructed dwellings would only be affordable for some households in the tenth (10th) income decile (households with income greater than \$225,434).

Table 03: Ownership affordability table for the County of Essex, 2024

Ownership Affordability			County of Essex Ownership Market (2023)	
	2023 Income (All Households)	Maximum Affordable Price	Resale	Newly Constructed
			\$645,800	\$1,096,647
Low Income Deciles 1-3 (Less than \$63,873)	\$32,406	\$137,965	NO	NO
	\$49,314	\$209,947	NO	NO
	\$63,873	\$271,932	NO	NO
Moderate Income Deciles 4-6 (\$63,873 to \$115,065)	\$79,254	\$337,415	NO	NO
	\$96,279	\$409,897	NO	NO
	\$115,065	\$489,877	NO	NO
High Income Deciles 7-9 (Greater than \$115,065)	\$138,548	\$589,852	NO	NO
	\$172,598	\$734,816	YES	NO
	\$225,434	\$959,759	YES	NO

Source: CREA Windsor-Essex County Residential Market Activity and MLS® Home Price Index Report, Statistics Canada Custom Tabulation Order

Note: Tenth income decile omitted as there is no maximum affordable price for this group

While the average rent levels appear moderately affordable in the County of Essex, low and moderate-income households (households with incomes below \$56,828) largely cannot afford the current rental market and would likely have trouble accessing affordable units.

In the affordability table below, each decile represents 10% of the renter households in the County of Essex in 2021, or approximately 1,030 households.

One-bedroom unit rents in 2024 were affordable for some households considered low-income in the County, and units containing at least two bedrooms were affordable for some moderate-income households in 2024. However, as the supply of new rental units has not kept pace with the demand for this housing tenure, the vacancy rate in the County has dipped below 1%.

Table 02: Renter affordability table for the County of Essex, 2024

Rental Affordability			County of Essex Primary Rental Market (2024)			
	2023 Income (Renter Households)	Maximum Affordable Price	Bachelor	One- Bedroom	Two- Bedroom	Three+ Bedrooms
			-	\$874	\$1,529	\$1,650
Low Income Deciles 1-3 (Less than \$38,515)	\$20,900	\$435	N/A	NO	NO	NO
	\$29,353	\$734	N/A	NO	NO	NO
	\$38,512	\$963	N/A	YES	NO	NO
Moderate Income Deciles 4-6 (\$38,516 to \$67,160)	\$47,435	\$1,186	N/A	YES	NO	NO
	\$56,828	\$1,421	N/A	YES	NO	NO
	\$67,160	\$1,679	N/A	YES	YES	YES
High Income Deciles 7-9 (Greater than \$67,160)	\$80,428	\$2,011	N/A	YES	YES	YES
	\$98,627	\$2,466	N/A	YES	YES	YES
	\$127,980	\$3,200	N/A	YES	YES	YES

Source: CMHC Rental Market Survey, Statistics Canada Custom Tabulation Order

Note: Tenth income decile omitted as there is no maximum affordable price for this group

The following are **Key Housing Insights for the Town of Tecumseh** from the new **County of Essex Housing Needs Assessment Report**:

- The Town of Tecumseh had a high proportion of owner households, and the highest rate of lone-parent and households containing couples with children in the County of Essex;
- In recent years, the Town has experienced a decline in renter households, despite growth among renter households across the County;
- **Tecumseh had among the highest average market rents in the County, and over one-third of renter households faced affordability challenges during this period.** However, in recent years, development has increased in Tecumseh and shifted towards denser forms of development. Between 2023 and 2024, the primary rental universe grew by 75%, or almost 300 units;
- **The Town of Tecumseh had among the lowest number of community or affordable housing units per capita in the County. There is a need for housing affordable for the low-income households in the town;**
- **The increase in sales price for newly constructed dwellings in Tecumseh has dramatically outpaced household incomes in the last decade. There is**

a need for affordable options for moderate-income households on the ownership market;

- **The housing stock in Tecumseh will require a diverse range of housing options for the expected growth of family and non-family households;**
- Based on growth projections, the Town of Tecumseh is projected to grow to approximately 12,070 households by 2035, an increase of 3,120 new households;
- This growth will necessitate the creation of housing to accommodate owner and renter households, as well as households at varying income levels;
- To accommodate low and moderate-income households in need, municipalities in the County of Essex should target 5% of housing completions to be deeply affordable units and 15% target for affordable rental housing units. For Tecumseh, these targets would represent 160 deeply affordable and 470 affordable rental housing units.

Extensive Community and Stakeholder Consultation was undertaken as part of the preparation of this County Housing Needs Assessment during the fall of 2024. The following summarizes **“What Was Heard” from this consultation, in terms of the housing challenges, causes, and barriers to solutions facing Essex County Municipalities:**

- **Insufficient Affordable Housing Options** Community members and service providers shared that the region lacks sufficient affordable, supportive, and purpose-built rental housing to meet local needs;
- **Existing Mismatch Between Supply and Demand** There was a shared concern that the existing housing stock does not reflect the needs of smaller households, aging residents, or first-time buyers;
- **Rising Housing Costs, Long Waits for Housing** Participants highlighted that rising rents and long housing waitlists are leaving many without options, especially those relying on assistance programs;
- **Some in the Community Resistant to Change** Participants observed that local opposition to new development, particularly developments with density, has increased, making it more difficult to add needed housing;

- **Services Are Unevenly Distributed** Stakeholders noted that housing and social services are largely concentrated in few municipalities, creating access challenges for residents in other parts of the region;
- **Vulnerable Groups Left Behind** Consultations revealed that newcomers, seniors, single-income households, and people with complex needs face the greatest difficulty accessing stable housing;
- **Housing Supply Has Not Kept Pace with Growth** Residents expressed concern that housing construction has not kept up with population growth or changing household needs in their communities over time;
- **Household Incomes Lag Behind Housing Costs** Across sessions, people voiced that social assistance rates and wages are not keeping up with rising housing and living costs, leaving households struggling to just keep pace with the costs of maintaining the status quo;
- **Profit-Driven Market Limits Affordability** Community members felt that private development is focused on higher-end housing, with little incentive to build more affordable units. This was particularly noted for the rental market, where newer units tended to be expensive, high-end rental units;
- **Infrastructure Gaps Limit Growth** Developers and residents flagged that a lack of serviced, shovel-ready land and key infrastructure has limited where and how housing can be built;
- **Outdated Zoning Blocks Density** Several groups noted that restrictive zoning policies prevent the development of diverse housing types that are more attainable;
- **Funding Is Hard to Access** Non-profit organizations shared that funding is typically competitive, difficult to navigate, and often does not meet the needs of those trying to build affordable and community housing in their communities;
- **Funding Programs Are Fragmented and Complex** Participants described support programs as disjointed and difficult to navigate, especially for those trying to access or deliver housing services;
- **Staffing and Capacity Constraints** Housing providers noted they are stretched thin, limiting their ability to respond to growing and complex housing needs;

- **Public Pushback Stalls Progress** Feedback revealed that community opposition, often rooted in fear of change or density, is a frequent barrier to approving new housing;
- **Discrimination in the Rental Market** Service providers and residents reported that many renters face discrimination in the private market based on income, race, or housing status;
- **Costs to Build have Become Too High** Stakeholders consistently pointed to high land, labour, and servicing costs as major obstacles to building affordable housing.

3. Housing Affordability Challenges Impacting Young Canadians and renter households

As part of a **Report prepared by Statistics Canada and released on November 19, 2024**, the following insights were presented based on housing surveys and research completed in August and September of 2024:

- Young adults are more likely to report experiencing housing affordability challenges. From August 2 to September 15, young adults in Canada (aged 20 to 35 years) were more likely than older adults (aged 36 years and older) to report experiencing the most common housing affordability challenges in the past year;
- Among this younger age group, 59% reported being very concerned about their ability to afford housing, and half (51%) had moving plans that were impacted by rising prices;
- By comparison, more than one-third (38%) of older adults were very concerned about their ability to afford housing and one-quarter (25%) had their moving plans impacted;
- Rising rent and house prices both contribute to affordability challenges that disproportionately affect younger adults. Studies have shown that younger adults are less likely to own their own homes. Similarly, according to the CSS – Quality of Life, Health, and Housing Costs, young adults (35%) were more likely to be renting their dwelling than people in the older age group (23%). The average cost of rent continued to rise, up 8% year over year in September.

Abacus Data and the Canadian Real Estate Association (CREA), conducted a large nation-wide survey of 3,500 Canadian Adults in September 2023, with the following being a summary of reported findings as to responses received from Young Canadians (18 to 34) related to how the current housing crisis is impacting their well-being:

- 89 percent of young Canadians believe the government should prioritize ensuring housing is affordable;
- Four in five (81%) expressed deep-seated concerns regarding the enduring repercussions of the housing market on their financial stability, a sentiment that resonates far more profoundly among young Canadians than their older counterparts;
- Nearly two-thirds of young Canadians (61%) revealed that their financial situation, shaped by the housing crisis, negatively affects their mental health;
- Further, the survey also finds that the housing crisis has impacted nearly every facet of young Canadians' lives, including their overall quality of life (73%), finances (76%), physical health (59%), family dynamics (56%), and social lives (58%) more than any other age group;
- The housing crisis isn't only influencing day-to-day life; it's shaping major life decisions. A significant 55% of young Canadians who intend to have children admit that it has influenced the decision and timing of starting a family. Some are choosing to have fewer or no children (27%), while others are temporarily postponing family planning (28%);
- The looming housing crisis is also driving young people to reconsider where they live and work. Most striking, younger Canadians are most likely to report that they are considering moving to find more affordable housing. Specifically, 46% are contemplating a move within their province, 41% are considering changing provinces, and 34% are even pondering leaving Canada all together;
- The risk of a brain-drain from unaffordable communities, provinces, and Canada entirely is real and acute;
- The message from young Canadians is unequivocal: governments have not done enough to address the housing crisis. This sentiment cuts across all levels of government—federal, provincial, and municipal — painting a stark picture of disillusionment with the efforts made thus far;

- An overwhelming 63% express dissatisfaction with the federal government's response, while 62% believe that provincial governments have fallen short. Meanwhile, 58% feel that municipal governments have not done enough to tackle the crisis head-on. This collective critique underscores the urgent need for more robust, comprehensive measures at all levels.

In June of 2025 Royal LePage released the 2025 Canadian Renters Report, based on a survey of more than 1,800 Canadian adults (18+), with the following being a summary of responses received during the week of June 2 to June 9, 2025:

- 51 percent of renter households were spending more than 30 percent of their net income (after tax) towards monthly rental payments, and 15 percent were spending more than 50 percent on rent;
- 40 percent of renter households reported that they had to reduce spending on groceries/food in order to afford to make their monthly rental payment;
- 56 percent of renter households believe building more affordable housing units would be the most effective way of improving rental affordability, and 20 percent believe that reducing barriers to building new rental housing (e.g. zoning regulations) would be most effective.

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