

STUDENTS' SOCIETY OF MCGILL UNIVERSITY AFFORDABLE STUDENT HOUSING COMMITTEE

2023 HOUSING NEEDS REVIEW

FINAL REPORT

MAY 10th, 2023

1.0 INTRODUCTION

This report, produced by the SSMU Affordable Student Housing Committee (ASHC), is an overview of **current housing needs and challenges** that McGill students face.

Why is this report being written?

Background	On February 13, 2020, the SSMU Legislative Council passed a motion adopting the Affordable Student Housing Plan. This plan directed the committee to undertake several actions to help improve housing affordability for students, including: • Holding an annual general meeting to educate and engage students • Consulting with community partners • Advocating for more/better affordable student housing • Supporting projects to directly build housing for students				
The Problem	At the Committee meeting of November 21st, 2022, the ASHC identified a key challenge facing the Committee: the lack of data about student housing needs ¹ . In other words, the Committee cannot do meaningful work on improving student housing if we do not know the severity of the problem.				
The Response	In response to that challenge, the ASHC decided to commission an evidence-based report that assesses student housing needs. This report is not a comprehensive or quantitative analysis. Rather, it is meant to be a general overview of the main problems and challenges, so that students, SSMU officials, and other stakeholders can have a common frame of reference and thus work more collaboratively on this issue.				

This report includes the following sections:

- 1) Introduction: purpose and parameters of this report (page 2)
- 2) Situation Analysis: key issues that students face with affordable housing (page 3)
- 3) Engagement Results: how different stakeholders see the main challenges (page 9)
- 4) **Limitations**: what this report does not cover (page 11)
- 5) **Recommendations**: next steps that the SSMU and the Affordable Student Housing Committee should consider taking (page 12)

¹ The SSMU has access to some data from its partnership with UTILE, a non-profit housing developer. However, as of November 2022, the ASHC identified a lack of immediately actionable data as a barrier to conducting meaningful work on improving student housing.

2.0 - SITUATION ANALYSIS

The housing situation of the vast majority of McGill students in Montreal falls under one of three categories:

- 1) Living at home (with parents or relatives)
- 2) Renting in McGill Residence
- 3) Renting in the private market

There is also anecdotal evidence that suggests that an unknown number of McGill students are homeless.

This "Situation Analysis" question focuses on the latter two categories: students living in McGill Residence or in accommodation that they found on the private market or elsewhere. Residence is primarily offered for first year undergraduate students, who make up roughly a quarter of the undergraduate population. Most upper year undergraduate students, and most graduate students, either live at home or in private market accommodation.

2.1 - RESIDENCES

McGill guarantees residence space for all new undergraduate students who are 22 years of age or younger, starting their first year of university studies, and accepted their offer to McGill prior to the residence confirmation deadline². This is a common practice that is also seen at other large universities across Canada.

According to McGill Student Housing and Hospitality Services, the top advantages of living in McGill Residences include³:

- Access to student space and studying with peers for greater academic success
- Making new friends
- Support from Residence Life Staff in making the transition to university
- Opportunities to be engaged in the residence community
- 24/7 safety and security
- Meal plans, which allow students to focus on studying and socializing
- Walking distance to class eliminates transportation costs

A key challenge that this committee has identified is that McGill's residence fees are higher than what other Montreal area universities charge and higher than the private market equivalent. This may present a financial barrier to students who may not be able to afford those fees – especially students who have no or limited financial support from parents. High fees risk preventing financially disadvantaged students from accessing the benefits and opportunities that McGill says they offer through its residences.

² https://www.mcgill.ca/students/housing/faq

³ https://www.mcgill.ca/students/housing/why-mcgill-rez

McGill Residence Fees Compared to Other Montreal Area Universities: Comparison of Monthly Fees for a Single Room

University	Type of Room	Rent
McGill University	Single (Gardner, Molson, or McConnell)	\$1,290
McGill University	Petit room in an apartment (Solin)	\$1,041
Concordia University ⁴	Small single without sink (Hingston)	\$709.90
Université de Montréal ⁵	Studio simple (includes sink)	\$429
UQAM ⁶	Studio individuel (includes ensuite washroom)	\$590

Figure 1. McGill Residence fees compared to residence fees at nearby universities in Montreal.

The Affordable Student Housing Committee performed a desktop analysis comparing McGill residence fees to other local universities (Figure 1). For simplicity, a comparison was only performed for one room type – a single room – across all four universities. At McGill, the cheapest single room is a Petit single in a shared apartment in Solin Hall (\$1,041 per month) while the cheapest dormitory-style single room is a room in Gardner, Molson, or McConnell (\$1,290). These two were compared against the equivalent option at the three other large universities in Montreal.

Key findings:

- Among Montreal's four largest universities, for a single room (i.e., one person), McGill charges the highest fees by a large margin
- A single room at Gardner, Molson, or McConnell costs three times as much as the equivalent option at UdeM, and over double the equivalent option at UQAM.

In other words, residence fees at McGill are consistently higher than fees charged by nearby universities. Regardless of the reasons that McGill may claim are responsible for this discrepancy, the relatively high fees are still a serious concern for many students.

Note: this analysis compares the fees for a single room across the four universities, and does not account for other room types (e.g., extra large rooms, double rooms, rooms with ensuite washrooms or other amenities, etc.). At all of the four analyzed universities, there were more expensive room types available.

⁴ https://www.concordia.ca/students/housing/costs.html

⁵ https://www.zumresidences.ca/fr/deux-doigts-choisir/#studios-tarifs

 $[\]underline{\text{https://services-medias.uqam.ca/media/uploads/sites/12/2023/02/09113727/residences}\underline{\text{brochure}_2023.p}\underline{\text{df}}$

McGill Residence Fees Compared to Local Private Market Rents

Average Fee Charged by McGill		Average Rent in Private Market		Difference
Single room with an ensuite bathroom	\$1,626	Studio (Quartier Ville-Marie)	\$1,488	McGill is \$138 (9.3%) more expensive
		Studio (Milton-Parc)	\$1,173	McGill is \$453 (38.6%) more expensive
Single room in a shared apartment	\$1,125	Single room in a 3-bedroom (Plateau-Mont Royal)	\$909	McGill is \$216 (23.8%) more expensive
		Single room in a 3-bedroom (Downtown)	\$932	McGill is \$193 (20.7%) more expensive
		Single room in a 3-bedroom (Milton-Parc)	\$800	McGill is \$325 (40.6%) more expensive

Figure 2. McGill Residence fees compared to similar accommodation in the private market. Average private market rents are for February 2023 and were sourced from Live.rent and Zumper.

Figure 2 shows the average fees charged by McGill Residence compared to similar options in the private rental market. For this comparison, the ASHC analyzed two room types available at McGill: the average cost of a single room with an ensuite bathroom (comparable to a studio apartment in the private market) and the average cost of a single room in a shared apartment at Solin Hall (comparable to a shared apartment room in the private market).

Key findings:

- At McGill, the average rent of a single room with an ensuite bathroom is **more expensive** than the average rent of a studio apartment in both Quartier Ville-Marie and Milton-Parc.
- At McGill, a single room in a shared apartment is **more expensive** than a single room in a shared 3-bedroom apartment on the private rental market, whether that is in Plateau-Mont Royal, Downtown, or Milton-Parc.

In other words, living at McGill Residence is consistently more expensive than similar options in the private rental market.

Overall, McGill residences are more expensive than similar accommodation at nearby universities and on the private rental market. There are many reasons *why* this may be the case, but the ASHC has not investigated potential reasons (For example, the relatively high cost of land in downtown Montreal could *potentially* be a factor, but we do not know how much land McGill fully owns and how much land they need to make debt payments on).

Regardless, this situation presents several challenges for McGill students:

- High residence fees deter some students from on-campus housing and puts greater pressure on the private rental market
- 2) Students that face financial barriers will miss out on the benefits of living on-campus
- 3) High residence fees means students have less money for other things, such as tuition, food, medication, etc.

This is also a challenge for the SSMU, since the SSMU is the main body responsible for advocating on students' behalf. To date, the advocacy of SSMU to encourage McGill to lower residence fees has been limited.

2.2 - OFF-CAMPUS HOUSING

The majority of McGill students live in off-campus housing, whether that is with their parents or family (for students with roots in the Montreal area), or in private market rentals. A small number of students may be living in housing that they outright own, and a small number of students may be living in non-market housing, such as public housing. However, **this section focuses on students renting in the private market**.

Currently, the ASHC does not have any quantitative data on the rents that McGill students pay in the private market. Census data is not reliable for this type of research because census data does not separate McGill students from the rest of the population, and also because many students list their home address rather than their Montreal address. What data that does exist is largely held by housing developers that conduct market research⁷.

Nevertheless, we want to highlight two key issues that are frequently brought up in public discourse about student housing: *gentrification* and *studentification*.

Gentrification

Gentrification is a process of urban development in which a neighborhood or portion of a city develops rapidly in a short period of time, often as a result of urban-renewal programs. This process is often marked by inflated home prices and displacement of a neighborhood's previous residents⁸.

⁷ As of spring 2023, SSMU is in the process of obtaining data from UTILE, a non-profit housing developer.

⁸ Mehdipanah, Roshanak, Giulia Marra, Giulia Melis, Elena Gelormino (2018) <u>Urban renewal, gentrification and health equity: a realist perspective</u>

A key reason why gentrification is problematic is the displacement of lower income and/or marginalized populations who cannot afford rising rents and are thus pushed out of the area.

There is limited research on the extent to which McGill students specifically are driving gentrification in Montreal. However, given that McGill is one of Montreal's largest universities, McGill students undoubtedly have a significant impact on the local housing market. In other words, as McGill students generate demand for rental housing near McGill, that encourages landlords to raise rents. This is acutely felt in neighborhoods near McGill's downtown campus, such as Milton-Parc.

Populations that are particularly vulnerable to student gentrification include low-income households, migrant workers, refugees, etc. These populations are more likely to hold lower-paid and/or precarious jobs, which limits their ability to afford market rents (especially if these rents are rising faster than wages). A large number of students competing to rent lower-rent units means fewer units available for other marginalized populations.

In the absence of government policy to increase affordable rental stock, one potential solution to this problem is more **purpose-built student housing**, or housing built specifically for students. This includes McGill residences, but also private market options such as CampusOne. More students living in student-specific housing would mean less competition for regular rental units. Student units must be sufficiently affordable for students in order to limit demand for regular rental units.

Studentification

Studentification was coined and defined by Professor Darren Smith as "contradictory social, cultural, economic and physical changes resulting from an influx of students within privately-rented accommodation in particular neighbourhoods"⁹. It's often times discussed as a "mutation of gentrification"¹⁰.

In a paper on studentification in Germany, Michael Miessner expresses that "studentification is the outcome of broader societal transformations, including the growing importance of the 'advanced capitalist education sectors' in a knowledge economy', the expansion of higher

⁹ Miessner M (2020) <u>Studentification in Germany: How investors generate profits from student tenants in Goettingen and the impacts on urban segregation</u>

¹⁰ Lieske F (2015) <u>Studentenwerk bietet preiswerte Übernachtungsplätze an. Zum Studienbeginn im Hotel</u>. Göttinger Tageblatt.

¹¹ Thiem CH (2009) <u>Thinking through education: the geographies of contemporary educational restructuring.</u>: 154–173

¹² Revington N, Moos M, Henry J, Haider R (2018) <u>The urban dormitory: planning, studentification, and the construction of an off-campus student housing market.</u>: 1–17

education¹³ and the accompanying boom in the number of students¹⁴, as well as the 'commodification'¹⁵ and 'neoliberalisation of student life'¹⁶."

In other words, certain neighbourhoods become "student neighbourhoods" where the proportion of students in a particular area is so large that local businesses and services become oriented around students, often at the expense of other populations. Rather than integrating students into the rest of the city, students are concentrated in specific areas, thus creating residential segregation.

Examples of potential issues that could arise with studentification, in addition to higher rents:

- Noise complaints (due to late-night music, partying, etc.)
- Increased policing in response to perceived disorder
- Impact on social cohesion in the neighbourhood

Studentification is an issue only if most students live off-campus, as is the case at McGill. While McGill's practice is comparable to other large Canadian universities, it is starkly different compared to top American universities. Among top U.S. universities, Harvard¹⁷, MIT¹⁸, and Princeton¹⁹ all guarantee residence space for all undergraduate students across all four years. Stanford University²⁰ guarantees student housing for about three years, while Yale University²¹ guarantees housing for two years and says residence space is usually available after that, even if not guaranteed.

Whether students are housed largely on campus or integrated into the surrounding community, there are both benefits and drawbacks. Given that most McGill students live off-campus, there needs to be greater analysis of McGill students' role in studentification and greater discussion of what the SSMU can or should do in response.

¹³ He S (2015) <u>Consuming urban living in 'villages in the city': studentification in Guangzhou, China.</u> 2849–2873

¹⁴ Allinson J (2006) <u>Over-educated, over-exuberant and over here? The impact of students on cities.</u> 79–94.

¹⁵ Gregory JJ, Rogerson JMR (2019) <u>Studentification and commodification of student lifestyle in Braamfontein, Johannesburg,</u> 178–193.

¹⁶ Chatterton P (2010) The student city: an ongoing story of neoliberalism, gentrification, and commodification, 509–514

¹⁷ https://college.harvard.edu/resources/fag/campus-housing-guaranteed

¹⁸ https://studentlife.mit.edu/first-year

¹⁹ https://admission.princeton.edu/community/residential-colleges-housing

²⁰ https://admission.stanford.edu/student/housing/index.html

²¹ http://catalog.yale.edu/undergraduate-regulations/regulations/housing/

3.0 - ENGAGEMENT RESULTS

On March 21st, 2023, the Affordable Student Housing Committee held its Annual General Meeting (AGM) in the SSMU Ballroom. Dozens of students dropped by and participated, including in our public engagement on student housing.



Food was provided to encourage students to participate.



A significant number of students engaged in conversations about housing.



Student opinion was solicited through different types of engagement activities.

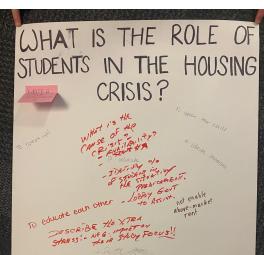
Key findings from our public engagement:

- Concern was raised that students in McGill Residence with complaints about
 affordability have nobody to turn to. Residence staff (including many that are upper-year
 students) can address quality of life issues but since they are paid by McGill, that
 limits their ability to advocate on students' behalf, particularly with regards to Residence
 fees.
- Concerns were raised that market or government definitions of affordability did not necessarily line up with student perceptions of affordability.
- Concerns about disconnect between students' needs and what is actually available on the private market.
- Many students do not understand what resources are available.
- Housing organizations appreciated the chance to connect with other organizations.

Additional Photos:







4.0 - LIMITATIONS

This ASHC faced several key limitations in creating this report.

The first, and perhaps most significant, was a lack of data. Lack of data was also the impetus for this report: the lack of data about students' housing needs meant that the ASHC was limited in what it could do. Without data, the ASHC would not be able to set goals or objectives, or measure its degree of success in meeting goals and objectives.

As a result of the lack of data, this housing needs review is very limited in scope. It largely focuses on McGill Residences, given that there is some data available. However, attempts to gather more detailed data (for instance, information on how much profit McGill is generating from its residence fees) were unsuccessful. This report provides very limited information or analysis about the housing needs of students who live off-campus.

Finally, the ASHC did not have the resources to conduct more detailed research. Much of the work seen in this report was performed by student volunteers. However, this report was structured with this limitation in mind. Rather than focusing on research that the ASHC currently lacks the resources to undertake, this report focuses on creating a starting point for future, more in-depth research and analysis.

5.0 - RECOMMENDATIONS

These recommendations for action are based on the Situation Analysis section (page 2) as well as the Engagement Results (page 9).

Recommendations are divided into three themes:

- 1) More *housing*;
- 2) More advocacy;
- 3) More transparency.

Each theme has several recommendations created by the ASHC.

5.1 - MORE HOUSING

There needs to be more housing to satisfy demand, and in particular, more non-market housing such as student residences.

5.1.1 - McGill should lower residence fees, especially for multiple occupancy rooms.

McGill residence fees are significantly higher than residence fees charged by nearby universities and significantly higher than nearby private market accommodation. In the short term, McGill should consider options for immediate financial relief that would not impact financial revenue, such as increasing room occupancy or increasing price differences between lower and higher priced units. However, in the long term, McGill should ideally plan for moving away from using residence fees as a source of revenue, and instead adopting a non-for-profit model.

5.1.2 - SSMU should consider providing more student housing.

If McGill fails to take action, the SSMU should consider stepping in to provide housing. For example, the SSMU currently has a partnership to provide housing with UTILE, and such partnerships could be expanded. The SSMU should consider prioritizing SSMU-funded housing for marginalized students, such as students currently experiencing homelessness. Ultimately, McGill should collaborate with SSMU in order to increase affordable student housing to fulfill the needs of its students.

5.2 - MORE ADVOCACY

Housing is a huge issue for students, and the SSMU needs to take a greater stand. This includes directly engaging with students through workshops, panels, and online resources, but it also includes engaging with other stakeholders.

5.2.1 - The SSMU should continue to meet with the McGill administration, the City of Montreal, and local housing organizations to advocate for McGill students.

The SSMU should directly advocate for McGill to implement recommendations 5.1.1 and 5.1.2 of this report. The SSMU should also increase engagement with municipal officials and local

housing organizations in order to raise awareness about students' housing needs and advocate for students.

5.2.2 - The SSMU should track residence fee increases and educate students about their ability to contest rent increases that are beyond what the TAL allows.

Currently, the SSMU does not track how much McGill Residence fees change on a year by year basis. The SSMU should first collect this data and compare it with the rent increase allowed by the Tribunal Administratif du logement (TAL) when it comes to student residences. Following this research, SSMU should educate students on their ability to contest rent increases beyond the percentage attributed by the TAL. This should be an ongoing process that happens every year, and the SSMU should ensure that McGill is transparent with this data.

5.2.3 - SSMU should create a housing commissioner or redefine current roles to better center housing.

This can be done by creating an entirely new position or by expanding the mandate of an existing commissioner so that "housing" is explicitly part of their title. There are two goals here. First, there should be an identifiable person – *not* paid by McGill – that students living in Residence can trust with housing affordability complaints, with the reasonable expectation that complaints will be acted upon (currently, the main point of contact for students with complaints are staff who are paid by McGill, which presents a barrier to those staff members' ability to effectively advocate for students). Second, there should be a main point of coordination within the SSMU for housing advocacy more broadly.

5.3 - MORE TRANSPARENCY

More data and information is required for students and advocates to strive for more affordable housing.

5.3.1 - The SSMU should conduct or acquire its own analysis of McGill students' housing needs.

This report has several significant limitations, as outlined in the Limitations section. The ASHC recommends conducting a more in-depth review of student housing needs, or acquiring more data from UTILE, so that the SSMU has a better understanding of what types of challenges McGill students are facing. In particular, the SSMU should act quickly to identify and address the needs of students at greatest risk of housing insecurity, including refugees, students with no or limited documentation, and students that are currently experiencing homelessness.

5.3.2 - The SSMU should consider better publicizing its UTILE collaboration.

Most McGill students do not know about the SSMU's collaboration with UTILE, despite the fact that their student fees are going towards this collaboration. The ASHC recommends that the VP Internal publicize information about UTILE on its website and recommends continued advocacy for students' involvement on this project in accordance with the Affordable Student Housing Plan.

5.3.3 - ASHC should find more ways to publicize its work.

Next year's ASHC should continue finding more ways to publicize its work so that students know what is going on and how to get involved. This may include partnering with other housing groups or groups that work on related issues, such as food security. Next year's ASHC should also connect more with students' current needs with regards to their housing.