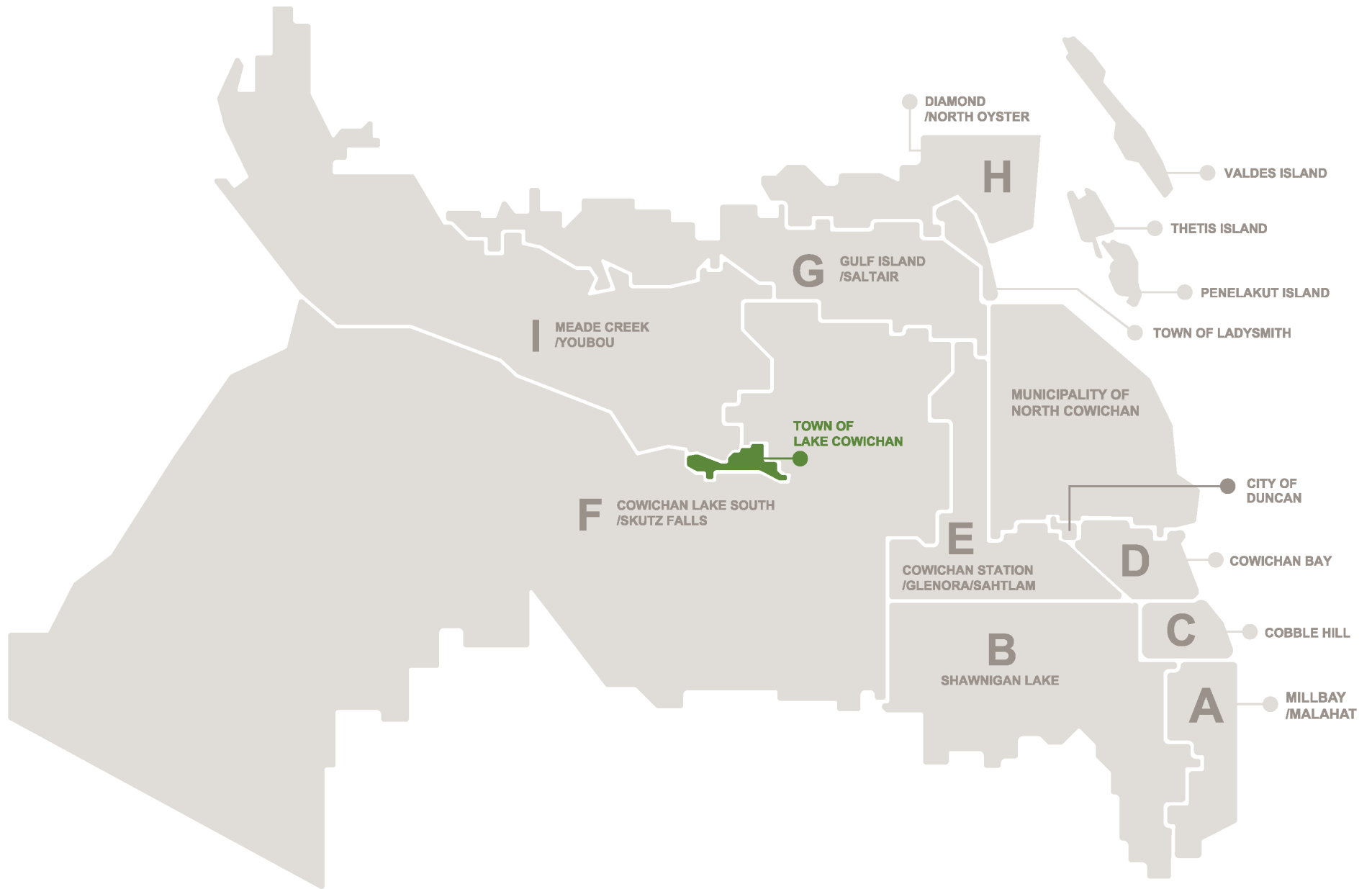




# TOWN OF LAKE COWICHAN SUB-REGIONAL SNAPSHOT JANUARY 2021

# MAP OF CVRD



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# INTRO/BACKGROUND

Have you ever wondered how you'll pay your mortgage or rent? Do you have a good paying job but can't seem to find a place to live? Do you have a safe and affordable place to call home?

These and similar questions are on the minds of many British Columbians. In 2017, as a response to the housing crisis, the Province of British Columbia committed more than \$800 million to invest in affordable housing throughout the province.

In April 2019, the Province went a step further and asked local governments to collect data, look at trends and report back on current and anticipated housing needs within their communities. These reports, known as Housing Needs Assessment Reports, are meant to help local governments better understand the existing and projected gaps in their housing supply and use them to inform plans and decision making going forward.

These reports consider things like household income, labour, the economy, population growth and housing prices. The Province requires local governments to produce these reports every five years.

For the Cowichan Valley Regional District, a Housing Needs Assessment Report is required for the entire region, and subregional reports are required for each electoral area and member municipality.

The remainder of this document is meant to provide a 'snapshot' of the data and the trends observed on current and anticipated housing needs within the Town of Lake Cowichan. For a more in-depth look at the full Housing Needs Report for the Town of Lake Cowichan or to check out the project webpage, visit the following link: [Housing Needs Assessment | Cowichan Valley Regional District \(cvrd.ca\)](https://www.cvrld.ca/housing-needs-assessment)



# DEMOGRAPHIC PROFILE

## POPULATION GROWTH

Lake Cowichan increased in population by 10%, from 2,930 to 3,220 residents, faster than the rate of growth across the CVRD as a whole. From 2006 to 2016, Lake Cowichan's share of the region's overall population remained at 4%.

Population Over Time from 2006 - 2016

	2006	2011	2016
British Columbia	4,054,605	4,324,455	4,560,240
CVRD	75,495	78,670	81,885
Lake Cowichan	2,930	2,955	3,220

2011 - 2016 Growth vs. 2006 - 2016 Growth



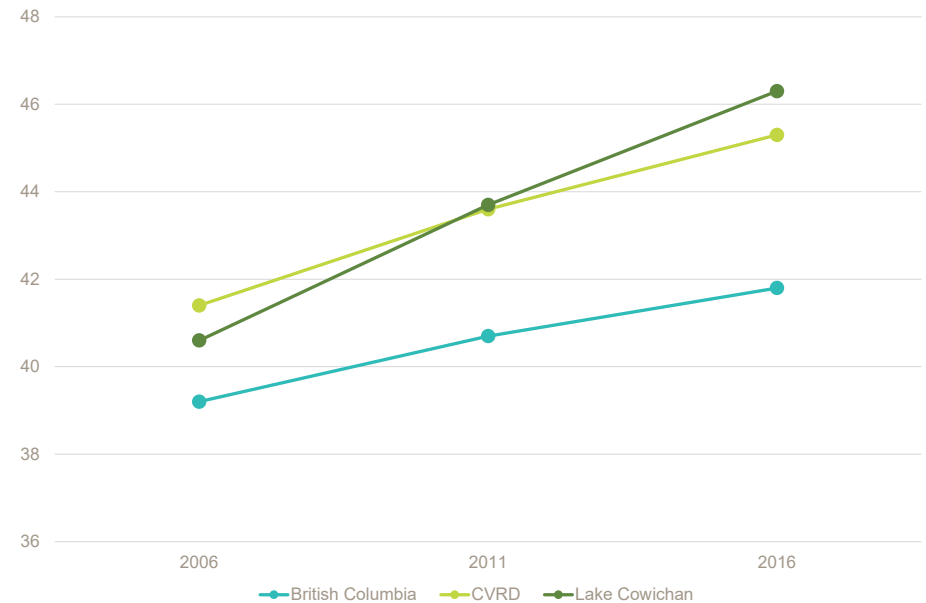
## UNHOUSED POPULATION

From the 2017 Point-in-Time Homeless Count and Homeless Needs Survey Community Report, two people were counted as absolutely homeless and two people were considered hidden homeless. Examples of hidden homelessness include people staying with family or friends (e.g., couch surfing), staying in trailers or cars, or accessing transitional or temporary housing. Note that point-in-time counts are known to be undercounts and represent only those individuals identified during a 24-hour period.

## AGE

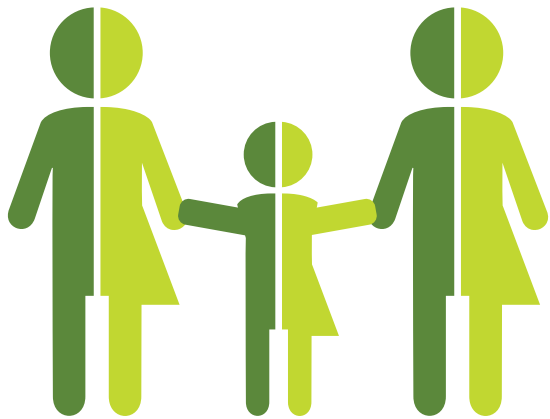
From 2006 to 2016, the average age in BC increased from 39 to 42. The CVRD as a whole is older than BC, increasing in average age from 41.4 to 45.3. Lake Cowichan is slightly older than average across the CVRD, with an average age increase from 40.6 to 46.3 years from 2006 to 2016.

Average Age

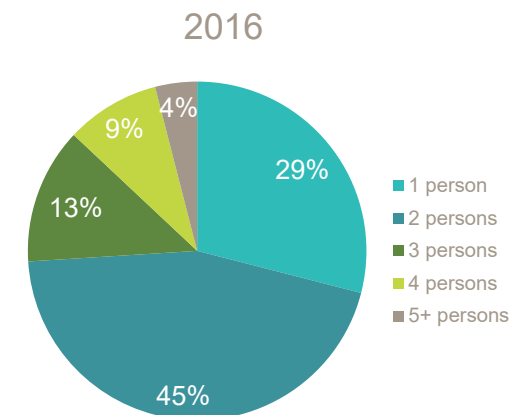
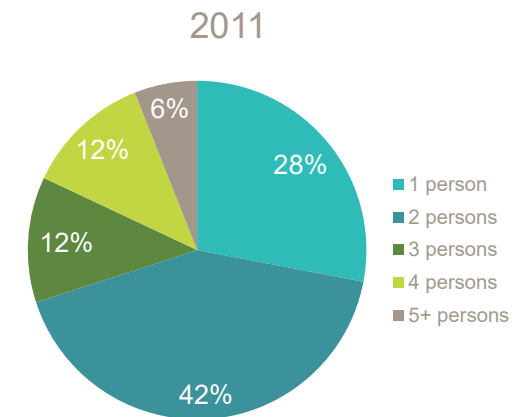
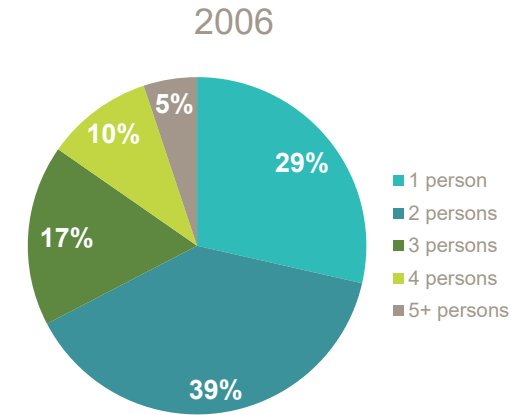
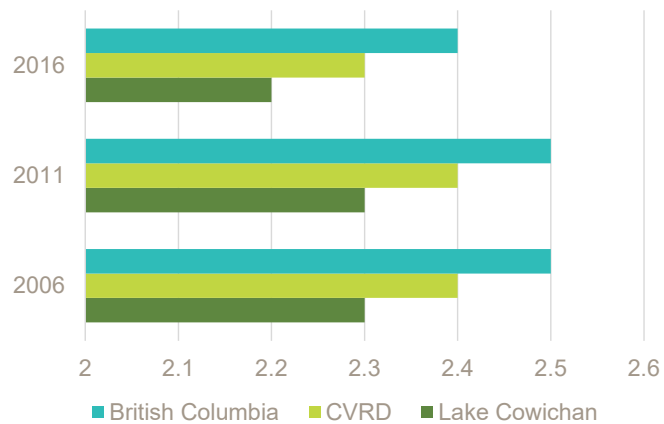


## HOUSEHOLD SIZE

Since 2006, the average household size in British Columbia and throughout the CVRD have been decreasing. Household sizes in Lake Cowichan are slightly smaller (2.2 people per household) compared to those in the CVRD as a region (2.3 people per household) and the province.



Average Household Size by Jurisdiction Over Time from 2006 - 2016

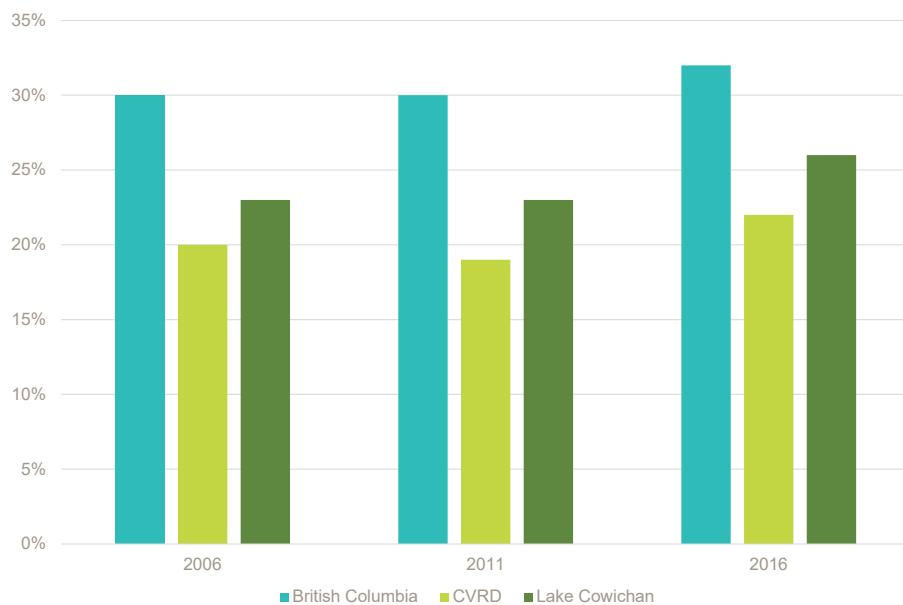


## TENURE

During the decade under analysis, renters as a share of all households in BC increased from 30% to 32%. A smaller share of households in the CVRD are renters, but the same upward trend is present: renters increased from 20% to 22% of all households. Lake Cowichan has a higher share of renters (26%) compared to the CVRD as a whole, and the same upward trend is present.

During the decade under analysis, renters as a share of all households in BC increased from 30% to 32%. A smaller share of households in the CVRD are renters, but the same upward trend is present: renters increased from 20% to 22% of all households.

Share of Households Renting from 2006 - 2016



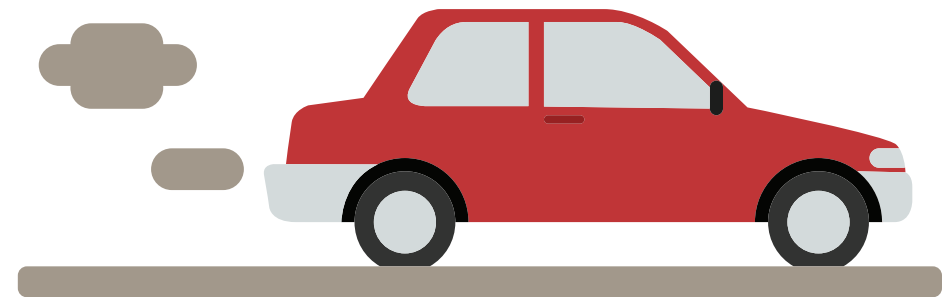
## TRANSPORTATION

In Lake Cowichan, approximately 89% of commuters used a private automobile to get to work in 2016. Travelling to work by car took an average of 32 minutes (one way). Data on bus travel times is not available due to the small sample size available in the census.

Transportation costs in Lake Cowichan are high due to existing car dependence, but they could very likely be reduced with improvements to transportation infrastructure that emphasize more active modes of transportation, including transit.

Annual Rides and Trips by Bus Route in Lake Cowichan in 2019

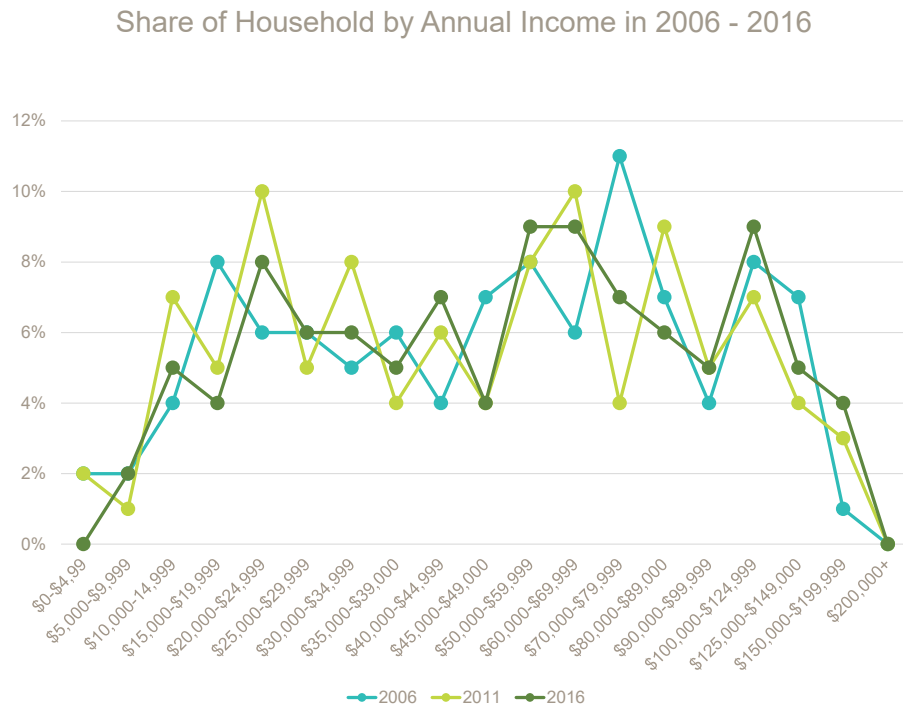
	Rides	Trips
<b>Conventional Routes</b>		
Lake Cowichan	52,337	7,993
Youbou	3,641	2,305
Honeymoon Bay	567	2,026



# INCOME AND ECONOMY

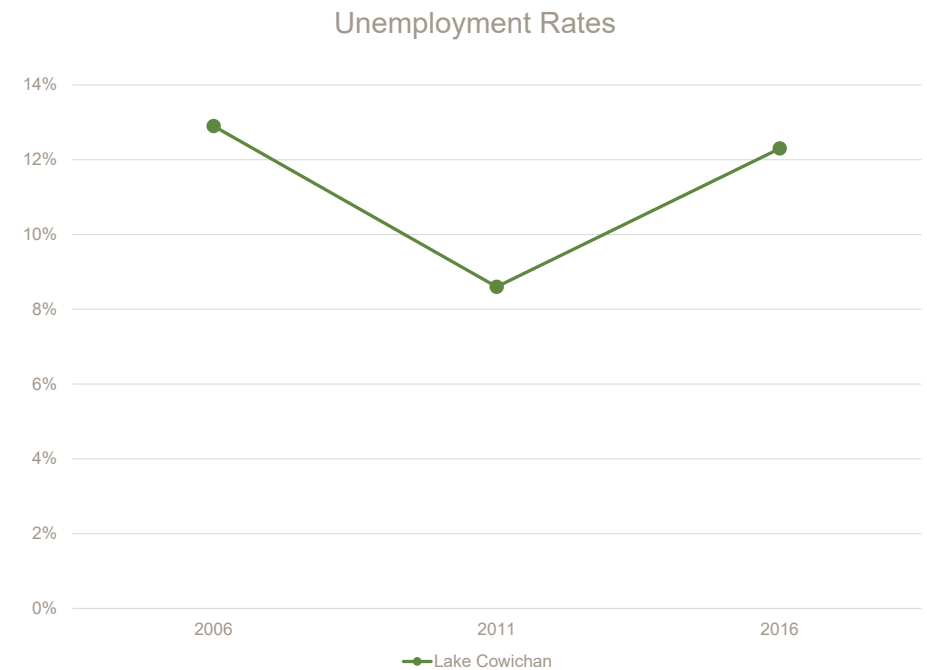
## HOUSEHOLD INCOME

Lake Cowichan had a median household income of \$52,438 in 2016, the second lowest in the region. Lake Cowichan's median household income shows no significant change from 2006 to 2011. BC's median income rose from \$62,000 to \$70,000 and the CVRD's rose from \$60,000 to \$65,000 between 2006 and 2016.



## EMPLOYMENT

Although there was a significant drop in 2011 to 8.6% Lake Cowichan's unemployment rate is the highest of any jurisdiction within the CVRD at 12.3%. Unemployment in the CVRD (increasing from 6.5% to 7.4%) has generally been slightly higher than in BC overall (increasing from 6.0% to 6.7%) except in 2011 (both 7.8%).



## INDUSTRY

Within the CVRD, the labour force is somewhat geographically clustered. Lake Cowichan's labour force is similar to that of the region as a whole, although it does have notably few healthcare and social assistance workers, and education workers.



# HOUSING PROFILES

## DWELLING TYPES

Lake Cowichan has a higher-density housing composition than the CVRD, although lower-density than the other municipalities in the CVRD. Single-detached homes are the largest portion of the housing supply at 82% of the housing stock. Apartments make up the next largest portion of the housing stock, at 11% of units.

Share of Total Housing Units by Type in 2006 - 2016

	Single-detached	Semi-detached	Other single-attached	Row House	Apartment in Duplex	Apartment (1-4 Storeys)	Apartment (5+ Storeys)	Movable Dwelling
2006	74%	2%	1%	6%	4%	11%	1%	1%
2011	75%	5%	0%	7%	2%	11%	0%	0%
2016	82%	1%	0%	4%	1%	11%	0%	1%

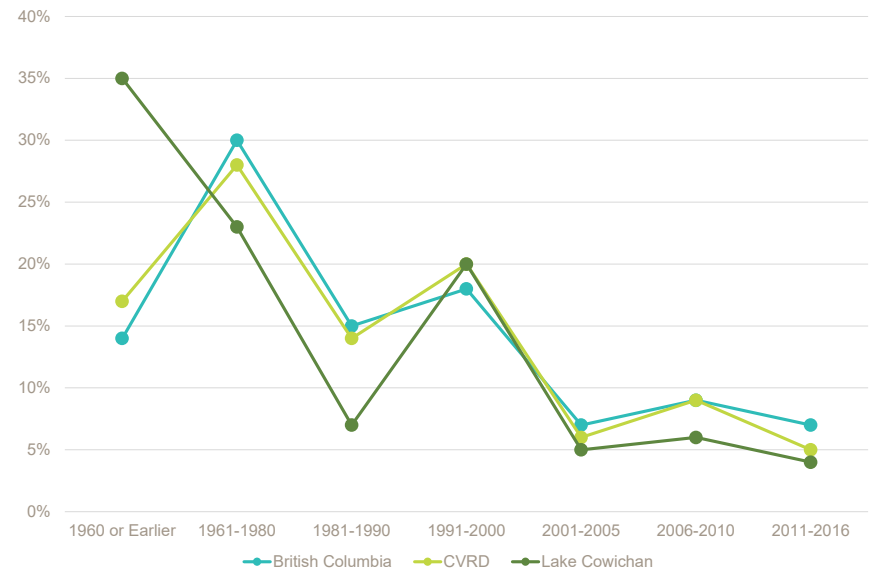
## DWELLING AGE

Lake Cowichan has an older housing stock than the CVRD, with dwellings older than 1961 making up the largest proportion of the housing stock (35%).

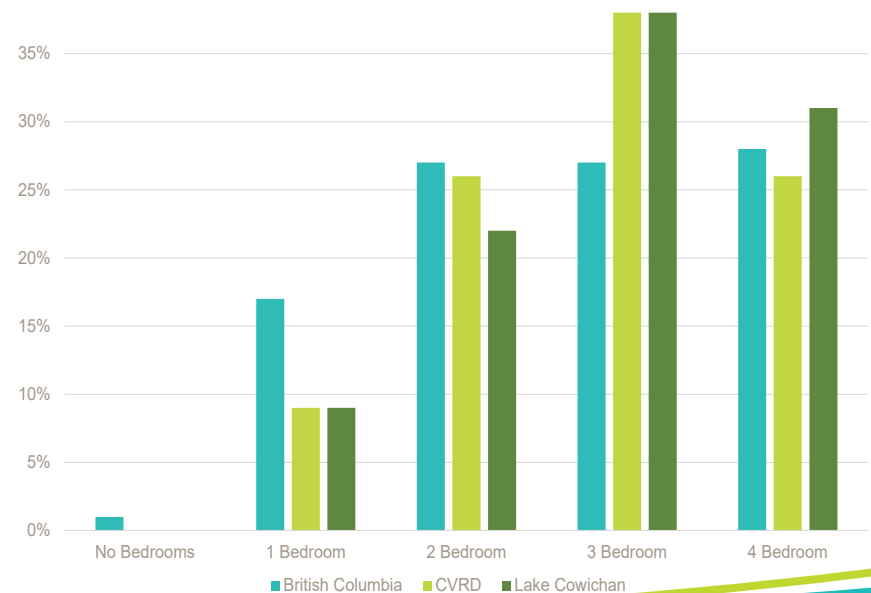
## BEDROOM NUMBER

Compared to the CVRD, Lake Cowichan has a lower share of two-bedroom units (26%) and a higher share of four-bedroom units (31%). One-bedroom units make up 9% of the housing stock and three-bedroom units make up 38% of the housing stock.

Share of Dwellings by Year of Construction



Composition of Housing Stock by Room Count and Jurisdiction in 2016



## NON-MARKET HOUSING

In Lake Cowichan, 77 households are subsidized by BC Housing. This includes 47 households provided with rent assistance in the private market, all of which are seniors in independent social housing, and 30 households provided with rent assistance in the private market.

**Non-Market Rental:** Housing with rents lower than average rates in private market rental housing. Includes the Rental Assistance Program, a type of rent supplement that BC Housing offers to eligible low-income families.

**Market Rental:** Units available for rent in the private market without subsidy provided by the government.



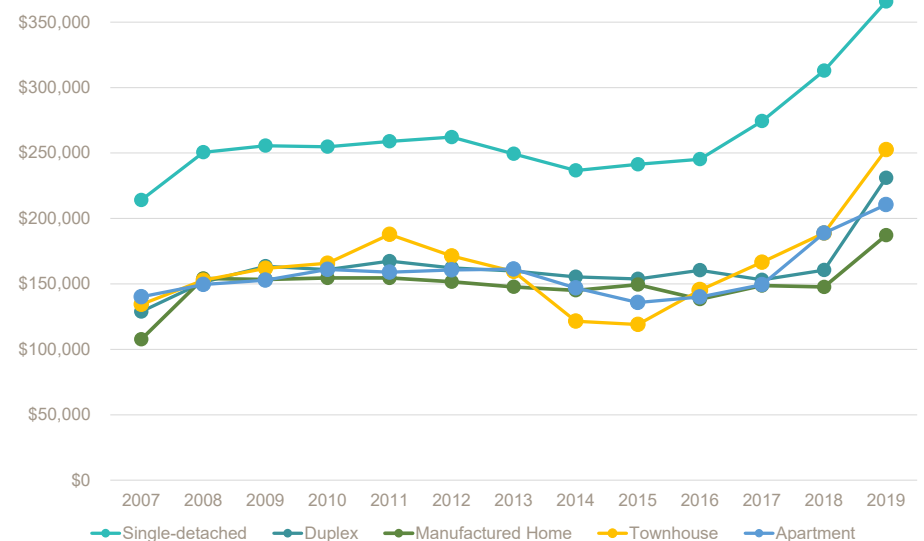
## MARKET RENTAL HOUSING

There is limited data on the supply of market rental housing, and most of the supply is likely provided through the secondary rental market. Engagement results from Lake Cowichan respondents suggest that the CVRD is in a state of acute rental shortage, with almost no vacancy. Respondents spoke to the need for more purpose-built rental housing, especially long-term rental options.

## MARKET OWNERSHIP HOUSING

From 2007 to 2019, single-detached homes have been the most desirable and expensive form of housing (\$200,000-\$350,000), with all other housing types exhibiting roughly equal average values (\$100,000-\$250,000). From 2016 to 2019, prices increased considerably each year for all unit types, a widespread trend throughout southern BC.

Average Value per Dwelling Unit by Type in Lake Cowichan



# PROJECTIONS

## HOUSEHOLD PROJECTIONS

Between 2019 and 2025, Lake Cowichan is expected to grow from 1,500 households to 1,542 households, an increase of 3% in six years, which would be somewhat slower than the 17% growth observed between 2006 and 2016. In comparison, the CVRD is expected to grow from 34,744 households to 39,967 households, an increase of 15% in six years.

Projected Households from 2019 - 2025

	2019 (Estimate)	2025 (Projection)	2019 - 2025 Growth
<b>Lake Cowichan</b>	1,500	1,542	3%
<b>Cowichan Valley</b>	34,744	39,967	15%

## POPULATION PROJECTIONS

Between 2019 and 2025, Lake Cowichan is expected to grow from 3,394 residents to 3,527 residents, an increase of 4% in six years, achieving a slower pace than the 10% growth observed between 2006 and 2016. By comparison, the CVRD is expected to grow from 80,404 residents to 93,071 residents, an increase of 16% in six years.

Projected Population from 2019 - 2025

	2019 (Estimate)	2025 (Projection)	2019 - 2025 Growth
<b>Lake Cowichan</b>	3,394	3,527	4%
<b>Cowichan Valley</b>	80,404	93,071	16%

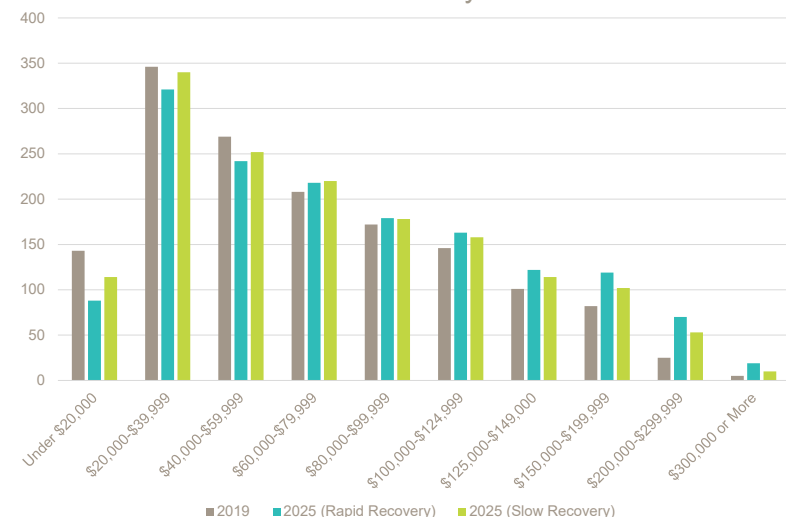
## HOUSEHOLD INCOME PROJECTIONS

Due to the uncertainty of COVID-19, two income projections were done to 2025. One projection assumes a rapid economic recovery from the COVID-19 pandemic, while the other assumes a slower economic recovery. In 2025 (and in 2025 dollars), Lake Cowichan is expected to have a median household income of \$71,004 in the rapid recovery scenario or \$65,890 in the slow recovery scenario.

## TENURE PROJECTIONS

Based on income projection, the split of Lake Cowichan's households by tenure will shift slightly toward owners in the rapid recovery scenario (to 26% renter households and 74% owner households) and slightly towards renters in the slow recovery scenario (to 26% renter households and 72% owner households).

Estimated Number of Households by Income Bracket in 2019 and 2025 by Scenario



# HOUSING NEEDS

## PROJECTION OF HOUSING NEED BY NUMBER OF BEDROOMS

In Lake Cowichan, 1,093 households will need only one bedroom in 2025. The reason for this is that one bedroom of need corresponds with households that include one person and with households that include one couple, which comprise about 83% of households in Lake Cowichan. In 2025, it is projected that the Town of Lake Cowichan will need an additional 24 units of housing.

Projection of Housing Needs by Number of Bedrooms

	2019	2025	Projected Units
<b>Lake Cowichan</b>			
1 Bedroom	1,026	1,001	-25
2 Bedrooms	259	262	3
3+ Bedrooms	215	280	65
Total:	1,500	1,543	43

## HOMELESSNESS

Interviews with local housing organizations suggest that since COVID-19, there has been a new and growing cluster of people experiencing homelessness in Lake Cowichan and suggested a need for local services. Many respondents felt that supportive services were needed to address concurrent afflictions like mental health issues and substance misuse.

**Housing for the Homeless:** Housing or rent supplement for people who are at risk of homelessness or formerly homeless. This type of housing includes on- or off-site support services to help people move toward independence and self-sufficiency.

The Province has committed to addressing housing and support needed for people who are homeless. There are more than 11,000 subsidized units, rent supplements and emergency shelter spaces for people who are homeless or at risk of homelessness across BC. In addition, a number of programs have been created to provide help to those who need it most. To learn more about these programs follow this link:

<https://www2.gov.bc.ca/gov>



## NON-MARKET HOUSING

BC Housing breaks down the types of housing support it provides into four high-level categories: emergency shelter and housing for the homeless, transitional supported and assisted living, independent social housing and rent assistance in the private market. Seniors make up the largest funding group in the three largest high-level categories and therefore receive the majority of BC Housing support in the CVRD.

Households in Lake Cowichan with incomes below approximately \$55,000 will not be able to afford renting new homes. Some households with incomes below this amount will still be able to find housing in the rental market, as older rental homes can be more affordable.

Number of Units Under BC Housing Administration by Service Allocation Group in 2020

Independent Social Housing	Lake Cowichan	CVRD	Emergency Shelters & Housing for the Homeless	Lake Cowichan	CVRD
Low Income Families	0	136	Homeless Housed	0	24
Low Income Seniors	47	273	Homeless Rent Supplements	0	55
<b>SUBTOTAL</b>	<b>47</b>	<b>409</b>	Homeless Shelters	0	15
			<b>SUBTOTAL</b>	<b>0</b>	<b>94</b>

Rent Assistance in Private Market	Lake Cowichan	CVRD
Rent Assistance for Families	11	188
Rent Assistance for Seniors	19	466
<b>SUBTOTAL</b>	<b>30</b>	<b>654</b>

Transitional Supported & Assisted Living	Lake Cowichan	CVRD
Frail Seniors	0	118
Special Needs	0	47
Women and Children Fleeing Violence	0	10
<b>SUBTOTAL</b>	<b>0</b>	<b>175</b>

## THE HOUSING CONTINUUM



## MARKET RENTAL HOUSING

Renter households in Lake Cowichan making less than \$48,400 per year tend to spend more than 30% of their annual income on housing expenses, placing these households in core housing need. This analysis suggests that 62% of Lake Cowichan’s renter households are in core housing need and 30% are in extreme core housing need.

Estimated Housing Costs Versus Household Income for Renter Households

	Household Income	30% of Income	50% of Income	Estimated Housing Cost
<b>Lake Cowichan</b>				
	\$20,000	\$6,000	\$10,000	\$12,775
	\$40,000	\$12,000	\$20,000	\$13,855
	\$60,000	\$18,000	\$30,000	\$15,441
	\$80,000	\$24,000	\$40,000	\$17,214
	\$100,000	\$30,000	\$50,000	\$18,853
	\$120,000	\$36,000	\$60,000	\$20,166
	\$140,000	\$42,000	\$70,000	\$21,117
	\$160,000	\$48,000	\$80,000	\$21,803
	\$180,000	\$54,000	\$90,000	\$22,267
	\$200,000	\$60,000	\$100,000	\$22,571
	\$220,000	\$66,000	\$110,000	\$22,779
	\$240,000	\$72,000	\$120,000	\$22,924
	\$260,000	\$78,000	\$130,000	\$23,025
	\$280,000	\$84,000	\$140,000	\$23,079
	\$300,000	\$90,000	\$150,000	\$23,109

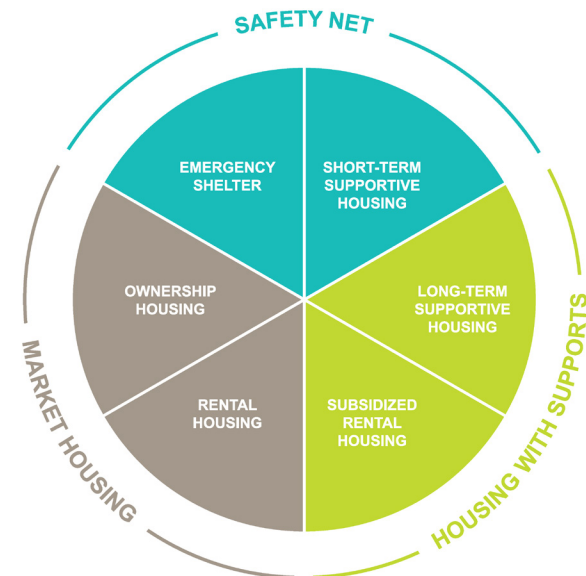
Teal items indicate that housing costs for this group in this jurisdiction exceed the 30% affordability threshold.

**Core Housing Need:** A household is said to be in core housing need if its housing falls below at least one of the adequacy, affordability or suitability standards and if the household would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that meets all three housing standards.

**Extreme Core Housing Need:** Those who meet the definition of core housing need and spend 50% or more of their income on housing.

## MARKET OWNERSHIP

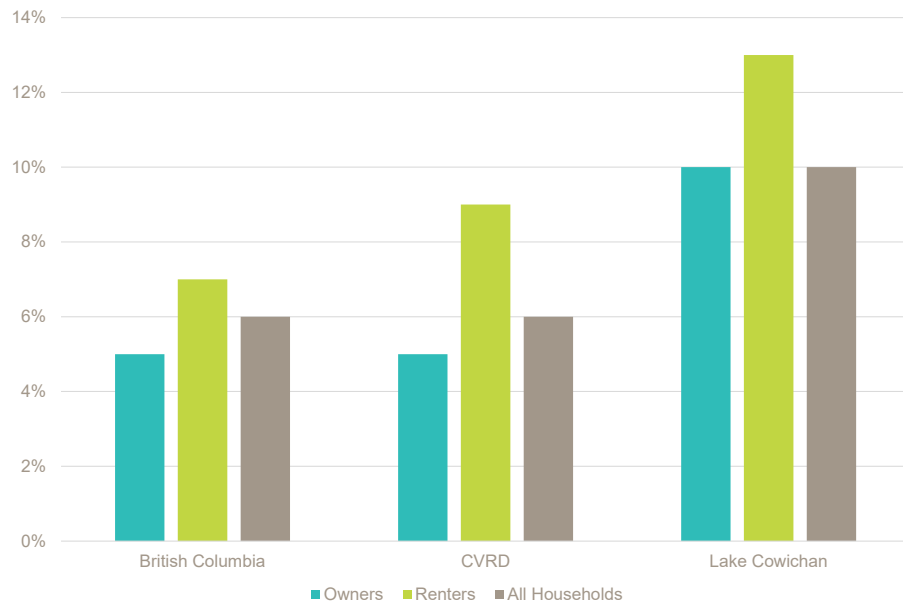
Single-detached homes have been the most desirable and expensive form of housing, followed all other types of housing. This market saw price stability from 2007 to 2016 as Vancouver Island’s economy gradually recovered from the financial crisis of 2008. From 2017 to 2019, prices increased considerably each year for all unit types.



## HISTORIC AND CURRENT HOUSING CONDITION (ADEQUACY)

In 2016, the share of Lake Cowichan households requiring major repair (the adequacy standard) was 10%. This is higher than rates in the CVRD and BC (both 6%).

Share of Households by Tenure Below Adequacy Standard (Major Repairs Required) in 2016



## HISTORIC AND CURRENT OVERCROWDING (SUITABILITY)

In Lake Cowichan, overcrowding (the suitability standard) affects 2% of owner households and 5% of renter households. Within the CVRD and BC, a greater share of renters experience overcrowding compared to owners.

## HISTORIC AND CURRENT AFFORDABILITY

The share of all households falling below the affordability standard (housing expenses equal to 30% of household income) in Lake Cowichan is 25%. Over twice the share of renters experience affordability challenges compared to owners. In comparison, the average of all households in BC falling below the affordability standard was 22% in 2016.

## CORE HOUSING NEED AND EXTREME CORE HOUSING NEED

In 2019, 29% of Lake Cowichan's households are in core housing need and 8% are in extreme core housing need. This breaks down further by tenure: 17% of owners are in core housing need and 4% of owners are in extreme housing need, while 62% of renters are in core housing need and 29% of renters are in extreme housing need.



# AFFORDABILITY OF NEW DEVELOPMENT

## FINANCIAL ANALYSIS RESULTS

A financial model analyzing the cost of residential development for a variety of housing types and tenures was created. Using this model, the lowest sale price or rental rate per unit that a builder could afford to charge for the finished product while still achieving a minimal level of profit was calculated.

Based on the construction cost assumptions, the housing prices represent the most affordable units that a developer or builder could afford to produce in the Town of Lake Cowichan. More affordable new units may exist, but these would arise from exceptional circumstances, such as unusually cheap land or government subsidies and incentives.

These minimum prices and rental rates indicate what levels of household income would be required to purchase or rent new units in Lake Cowichan without paying more than 30% of one's household income. The tables show results of analysis in 2020 and 2025. The price of a new single-detached home in 2020 is \$648,000, requiring a minimum household income of \$126,000. In 2025, that is projected to increase such that a single-detached unit sale price of \$744,000 requires a minimum household income of \$143,000.

The capacity of Lake Cowichan's households to afford new construction will increase slightly in the rapid recovery scenario and decrease slightly in the slow recovery scenario. The overall difference between the two scenarios is not huge, suggesting that Lake Cowichan's housing market is unlikely to be severely impacted by COVID-19.

The Most Affordable New Units by Type and Tenure  
(-- Data is Unavailable)

	Sale Price (2020)	Sale Price (2025)	Monthly Rental Rate (2020)	Monthly Rental Rate (2025)
Single-Detached	\$648,000	\$744,000	-	-
Townhouse	\$450,000	\$527,000	\$1,670	\$2,030
Apartment	\$325,000	\$351,000	\$1,195	\$1,355

Minimum Household Income Required to Purchase or Rent a New Home by Unit Type in 2020

	Minimum Household Income	Share of Households
Single-Detached for Purchase	\$126,000	14%
Townhouse for Purchase	\$90,000	30%
Apartment for Purchase	\$65,000	46%
Townhouse for Rent	\$76,000	38%
Apartment for Rent	\$55,000	54%

Minimum Household Income Required to Purchase or Rent a New Home by Unit Type in 2025

	Minimum Household Income	Share of Households	
		Rapid Recovery	Slow Recovery
Single-Detached for Purchase	\$143,000	16%	13%
Townhouse for Purchase	\$104,000	30%	27%
Apartment for Purchase	\$73,000	49%	45%
Townhouse for Rent	\$91,000	37%	34%
Apartment for Rent	\$64,000	55%	51%



TOWN OF LAKE COWICHAN  
SUB-REGIONAL SNAPSHOT  
JANUARY 2021

FOR THE FULL REPORT SEE:  
**HOUSING NEEDS ASSESSMENT**  
**COWICHAN VALLEY REGIONAL DISTRICT**  
**(CVRD.CA)**

