



REGIONAL HOUSING NEEDS ASSESSMENT COWICHAN VALLEY REGIONAL DISTRICT JANUARY 2021

ACKNOWLEDGEMENTS



We respectfully acknowledge that this work takes place on the traditional and unceded territories of Cowichan Tribes, Ditidaht First Nation, Halalt First Nation, Lyackson First Nation, Malahat First Nation, Penelakut Tribe, Stz'uminus First Nation, Ts'uubaa-asatx First Nation and Pauquachin First Nation, among others. We express our gratitude to the housing staff from these First Nations who shared their knowledge during this project.

Thank you to the 251 community members who shared their ideas and lived experience and to the stakeholders who participated in interviews or attended one of our Housing Community Cafés including:

- Abbeyfield Houses Society of Canada (Abbeyfield Duncan)
- Brentwood College School
- Broadstreet Developments
- Chemainus and District Chamber of Commerce
- Clements Centre Society
- Community Futures Cowichan
- Cowichan Bay Seniors Centre Association
- Cowichan Division of Family Practice
- Cowichan Housing Association
- Cowichan Intercultural Society
- Cowichan Lake Elder Care Society
- Cowichan Valley Independent Living Resource Centre
- Cowichan Women Against Violence Society
- Cowichan Youth Services
- Discovery Youth and Family Substance Use Services
- Downtown Duncan Business Improvement Association Society
- Duncan Christian School
- Duncan Cowichan Chamber of Commerce
- Duncan Housing Society (Duncan Manor)
- Duncan United Church
- Habitat for Humanity Mid-Vancouver Island
- The Hamlets at Duncan
- Ladysmith Chamber of Commerce
- Ladysmith Resource Centre Association
- M'akola Housing Society
- Merridale Cidery
- Our Cowichan Communities Health Network
- Pemberton Homes
- Randall North Properties
- Rowan Property Management
- Royal LePage
- St. John's Academy Shawnigan Lake
- Tourism Cowichan Society
- Valley Integration to Active Living Society

PARTICIPATING COMMUNITIES



**ELECTORAL AREA A
MILL BAY / MALAHAT**

**ELECTORAL AREA B
SHAWNIGAN LAKE**

**ELECTORAL AREA C
COBBLE HILL**

**ELECTORAL AREA D
COWICHAN BAY**

**ELECTORAL AREA E
COWICHAN / KOKSILAH**

**ELECTORAL AREA F
COWICHAN LAKE SOUTH /
SKUTZ FALLS**

**ELECTORAL AREA G
SALT AIR / GULF ISLANDS**

**ELECTORAL AREA H
NORTH OYSTER / DIAMOND**

**ELECTORAL AREA I
YUBOU / MEADE CREEK**

CONSULTING SUPPORT FROM



TABLE OF CONTENTS



ACKNOWLEDGEMENTS	2	DWELLING TYPES.....	48
EXECUTIVE SUMMARY	5	DWELLING AGE.....	51
INTRODUCTION	11	BEDROOM NUMBER.....	52
PROJECT OVERVIEW.....	11	NON-MARKET HOUSING.....	53
REPORT ORGANIZATION.....	11	MARKET RENTAL HOUSING.....	55
THE HOUSING SPECTRUM.....	12	MARKET OWNERSHIP HOUSING.....	57
GOVERNANCE CONTEXT.....	14	PROJECTIONS	60
METHODOLOGY SUMMARY.....	15	HOUSEHOLDS PROJECTION.....	61
RESEARCH METHODOLOGY.....	16	POPULATION PROJECTION.....	62
DEMOGRAPHIC PROFILE	20	HOUSEHOLD INCOME PROJECTION.....	63
POPULATION.....	23	TENURE PROJECTION.....	64
AGE.....	25	HOUSING NEEDS	65
HOUSEHOLD SIZE.....	26	PROJECTION OF HOUSING NEED BY NUMBER OF BEDROOMS.....	70
TENURE.....	27	NON-MARKET HOUSING.....	71
UNHOUSED POPULATION.....	29	MARKET RENTAL HOUSING.....	72
TRANSPORTATION.....	31	MARKET OWNERSHIP.....	75
INCOME AND ECONOMY	33	HISTORIC AND CURRENT HOUSING CONDITION (ADEQUACY).....	76
HOUSEHOLD INCOME.....	36	HISTORIC AND CURRENT OVERCROWDING (SUITABILITY).....	78
INCOME AMONG OWNER HOUSEHOLDS.....	38	HISTORIC AND CURRENT AFFORDABILITY.....	79
INCOME AMONG RENTER HOUSEHOLDS.....	39	CORE HOUSING NEED AND EXTREME CORE HOUSING NEED.....	81
INCOME INEQUALITY.....	40	HOUSING NEEDS FOR SPECIFIC POPULATIONS.....	82
EMPLOYMENT.....	41	AFFORDABILITY	85
INDUSTRY.....	43	FINANCIAL ANALYSIS RESULTS	86
HOUSING PROFILE	46	GLOSSARY	89

EXECUTIVE SUMMARY



Covering an area of 3,473 km² on Vancouver Island and the Southern Gulf Islands, the Cowichan Valley Regional District (CVRD) spans from North Oyster to Malahat/Mill Bay north to south and is bordered by the Salish Sea on the east and the Pacific Ocean on the west. Close to major population centres in Victoria, Nanaimo and the Lower Mainland, and containing unique communities and landscapes with easy access to nature, the CVRD is a desirable place to live.

As guided by [provincial requirements](#), the CVRD has developed a Regional Housing Needs Assessment in partnership with its member municipalities and nine electoral areas. A housing needs assessment will help the CVRD understand what kinds of housing are most needed in the region's communities now and in the future, which will help inform the official community plan and development decisions.

The following key themes were found throughout the data and community engagement portions of this project.

1

THE COWICHAN VALLEY IS GROWING AND WILL CONTINUE TO GROW

From 2006 to 2016, the CVRD's population grew by 8%, from 75,500 to 82,000. Between 2019 and 2025, the CVRD is expected to grow to about 92,000 people, which would represent a population growth of 15% in six years, considerably more rapid growth than in the decade between the 2006 and 2016 censuses. This growth from approximately 35,000 households in 2019 to almost 40,000 in 2025 indicates a 14% growth rate over six years.

In 2025, it is projected that the CVRD will need an additional 5,000 units of housing. Most of these should be one-bedroom units, as required by most households across the CVRD in both years (about 23,000 households in 2019 and 26,500 households in 2025).

From 2016 to 2019, prices for market ownership homes increased considerably each year. This is beneficial for homeowner households but detrimental to aspiring homeowners and suggests that, since 2016, the region's supply of available land has been insufficient to meet growing demand.

Engagement with local stakeholders confirms that this is unlikely to change in the next five years. Housing demand in the CVRD is therefore expected to continue to increase as market factors push more households to seek affordable accommodation in the Cowichan Valley. Supply factors, such as development entitlements and servicing infrastructure, are currently limiting growth, rather than lack of demand, throughout the CVRD.

2

HOUSING SIZES ARE UNSUITABLE FOR RESIDENT NEEDS

A large majority of households in all jurisdictions across the CVRD (about 23,000 households in 2019 and 26,500 households in 2025) need only one bedroom. The reason for this is that one bedroom of need corresponds to households with one person and to households with one couple according to the strict definition of need.

Currently, all jurisdictions in the CVRD contain a significant over-supply of two-bedroom homes and homes with three or more bedrooms, which implies that many households possess more bedrooms than they need.

Community members highlighted their need for more suitable dwelling sizes to meet their specific needs. Many seniors indicated that their current homes were too large and required more maintenance than they could physically or financially carry out. Young families raised concerns

around lack of space for children, and First Nation's families in particular were challenged to house large families in small dwellings.

Engagement results indicated a desire for smaller and more affordable housing units to answer concerns around unaffordability and mobility challenges. Possible solutions include densifying through land-sharing opportunities, secondary suite allowances, increased multi-family dwellings, manufactured home parks and tiny homes.

3

THE COWICHAN VALLEY IS HOME TO AN AGING POPULATION

From 2006 to 2016, the CVRD remained older than BC and aged more quickly, with the median age increasing from 41 to 45. An older population typically points towards smaller household sizes. In the CVRD, household sizes have decreased from 2006 to 2016. With a household size of 2.3 in 2016, this is smaller than average across BC.

When asked which groups were most vulnerable to housing challenges, respondents communicated that seniors and those living on income assistance or making less than the median income, especially those living alone, would have the greatest difficulty obtaining housing. Low wages and fixed incomes make these groups especially vulnerable to unstable housing conditions.

In addition, despite many owning their homes, seniors are increasingly facing housing challenges. Rising home maintenance costs and taxes are of great concern as many shift to fixed incomes. Despite older generations being perceived as more housing secure, senior homeowners expressed concerns around downsizing to financially and physically appropriate dwellings that meet their mobility needs and fit within their fixed incomes. The aging population presents a greater need for aging-in-place options, accessible housing units and co-operative housing models that support the social and emotional well-being of senior residents.

4 YOUNGER GENERATIONS ALSO HAVE HOUSING CHALLENGES

Many questionnaire respondents, especially parents and older adults, were deeply empathetic to the housing challenges faced by younger community members. Parents expressed gratitude that their housing was secure but had concerns about their children being subjected to housing instability and unaffordability.

Unhoused youth face unique housing challenges as this group is especially vulnerable and may require additional staff supervision for their health and safety. Housing models should take into account the distinct needs of youth.

The cost of living and stagnant wages are also major barriers for young people seeking to enter the housing market. For example, the prices of market ownership housing have increased significantly from 2016 to 2019. This is detrimental to aspiring homeowners.

5 THERE IS AN ACUTE SHORTAGE OF RENTAL HOUSING

All data sources suggest that the CVRD is in a state of acute rental shortage, with almost no vacancy.

In most jurisdictions in the CVRD, the majority of renter households making less than \$40,000–\$50,000 per year (varying by jurisdiction) spend more than 30% of their annual income on housing expenses, meaning that they are in core housing need; and the majority of renter households making less than \$20,000–\$25,000 per year spend more than 50% of their annual income on housing expenses, meaning that they are in extreme core housing need.

Engagement results identified a need for more rental options, including more purpose-built rentals to meet housing challenges in the CVRD, especially for young families, youth, Indigenous people, those with mental health challenges, singles and seniors. Many respondents feel that the size of their dwellings is not adequate to meet their needs, but

rental costs prevent them from seeking larger homes. Young people, newcomers, renters with young children, renters with pets and renters with disability were more likely to have been refused rental housing.

6 HOUSING COSTS ARE MISALIGNED WITH REGIONAL WAGES

Despite working full-time or contributing to a dual-income household, many feel that average to high incomes are no longer sufficient to rent in the region, let alone purchase a home. Across the CVRD, after inflation is removed from the analysis, median household incomes decreased from \$73,455 in 2006 to \$69,863 in 2016 (in constant 2019 dollars).

Due to housing costs in their communities, residents are relocating to other, more affordable communities that are further from their jobs. As a result, some may have long commutes, be more reliant on personal vehicles or be limited in future job opportunities due to public transit constraints. Seasonal workers, especially those in agriculture, are exceptionally burdened by this issue. In addition, as there is almost no vacancy in the rental market, households seeking rent in the region are locating where housing is available rather than where they would prefer.

7 CURRENT HOUSING OPTIONS ARE NOT ADEQUATELY SIZED OR CULTURALLY APPROPRIATE FOR FIRST NATIONS

First Nations housing staff interviewed spoke to the need for larger single-family homes to house large, multi-generational families and indicated that overcrowding in housing units was often a challenge. This issue is compounded as youth return home due to precarious housing situations and as suitable rental units are scarce. Smaller units are also needed for Elders and singles. Current housing may not be safe or suitable, and many key stakeholders expressed concerns with rising construction costs and dwindling land availability as barriers to new, more suitable Indigenous development.

Rental units and affordable market homes should consider additional needs of First Nations people, including higher occupancy units, the addition of communal spaces, and access to transportation, cultural amenities and community services.



8

THERE IS A NEED FOR MORE NON-MARKET HOUSING, INCLUDING SUPPORTIVE, AND EMERGENCY HOUSING OPTIONS

HOMELESSNESS IS A CRITICAL ISSUE

Many respondents addressed an acute need for housing and services for unhoused individuals and those engaged in substance misuse. Some feel that current supports are not adequate, and others feel that this is a safety issue in their community. Women and youth were often addressed as needing additional supports, as they are especially vulnerable.

The Summer Point-in-Time Homeless Count in 2017 counted a total 189 people across the CVRD who were homeless or at risk of homelessness. Of these, 89 people were counted as “absolutely homeless,” 61 people as “hidden homeless” and 39 people as at risk of being homeless. Eighty percent of those counted were in the Duncan and North Cowichan core area (considered one geographic area for this count). It is particularly hard to locate and count people who are homeless in rural areas, so there may be more people who are homeless in rural areas across the CVRD, especially people considered “hidden homeless” who are even more difficult to locate and count.

Broader engagement results suggest that those seeking emergency shelter and supportive services frequently travel to regional, community-level service centres like Duncan and North Cowichan, where most

programs and services exist. As a result, Duncan and North Cowichan are overwhelmed by the demand incurred by out of area residents seeking shelter, with many community organizations indicating a desperate need for additional supports.

MORE SUPPORTIVE HOUSING IS NEEDED FOR THOSE WITH MENTAL HEALTH CONDITIONS AND COGNITIVE OR PHYSICAL DISABILITIES

Community members felt that a greater number of assisted living and transitional supportive housing units were required to support individuals with mental health conditions and cognitive or physical disabilities. Key stakeholder interviewees repeatedly pointed out that as a result of some diagnoses and precarious housing situations, community members in these groups are more likely to engage with substance misuse, which compounds difficulty procuring housing. Housing that exists in parallel with appropriate supports is necessary for safety and long-term success.

9

AFFORDABLE HOUSING FOR FAMILIES IS HARD TO FIND

Homes for rent or purchase that are suitable for families have become prohibitively expensive in many areas across the region and as such affordable family housing stock is at a minimum. In order to find housing within financial constraints, families may be forced to seek housing in less suitable neighbourhoods away from schools or employment or may accept inadequate, unsuitable housing in order to be near those amenities. Young families, low-income families and lone parent families,

in particular, are at risk of housing instability and parents expressed feelings of housing discrimination and a lack of appropriate and affordable options to meet their families' needs. Many respondents who are renters feel that the size of their dwellings is not adequate to meet their needs, but rental costs prevent them from seeking larger homes.

Market ownership housing types that are more likely to be suitable for families (i.e., single-detached homes, townhomes and duplexes) have increased in price considerably each year from 2016 to 2019 to \$545,592 for single-detached homes, \$341,333 for townhomes and \$310,731 for duplexes. Manufactured homes could be a more affordable alternative, but they do not exist in a large extent across all jurisdictions.

Market rental is also expensive: households in the bottom quartile (earning under \$21,198) spend 99% of their income on a three-bedroom rental unit or 85% of their income on a four-bedroom rental unit. Households in the second quartile (earning between \$21,198 to \$38,731) spend 41% of their income on a three-bedroom rental unit or 51% of their income on a four-bedroom rental unit. Additionally, the vacancy of rental is very low, which means that households seeking rental housing in the region are locating where housing is available rather than where they would prefer. In the electoral areas and other rural areas, most rental units are in the secondary rental market. The risk of these rental units being sold by

landlords puts additional strain on residents renting their homes, as they may be forced to move and be unable to find adequate and affordable housing in an appropriate location.



INTRODUCTION



PROJECT OVERVIEW

Covering an area of 3,473 km² on Vancouver Island and the Southern Gulf Islands, the Cowichan Valley Regional District (CVRD) spans from North Oyster to Malahat/Mill Bay north to south and is bordered by the Salish Sea on the east and the Pacific Ocean on the west. Close to major population centres in Victoria, Nanaimo and the Lower Mainland, and containing unique communities and landscapes with easy access to nature, the CVRD is a desirable place to live.

As guided by [provincial requirements](#), the CVRD has developed a Regional Housing Needs Assessment in partnership with its member municipalities and nine electoral areas. A housing needs assessment will help the CVRD understand what kinds of housing are most needed in the region's communities now and in the future, which will help inform the official community plan and development decisions.

In the introduction to this report, find an overview of its organization, an introduction to the housing spectrum and governance context for this work, and an overview of our methodology.

REPORT ORGANIZATION

This regional report belongs to a family of reports, which includes sub-regional reports for the following areas:

- Electoral Area A – Mill Bay/Malahat
- Electoral Area B – Shawnigan Lake
- Electoral Area C – Cobble Hill
- Electoral Area D – Cowichan Bay
- Electoral Area E – Cowichan Station/Sahtlam/Glenora
- Electoral Area F – Cowichan Lake/Skutz Falls
- Electoral Area G – Saltair/Gulf Islands
- Electoral Area H – North Oyster/Diamond
- Electoral Area I – Youbou/Meade Creek
- Town of Ladysmith
- Municipality of North Cowichan
- City of Duncan
- Town of Lake Cowichan

The regional report and each sub-regional report include the following sections:

- Demographic Profile
- Income and Economy
- Housing Profile
- Projections
- Housing Needs
- Affordability of New Development

While each sub-regional report individually meets all the requirements of provincial legislation, the regional report contains more in-depth analysis and commentary and includes the input shared by community members and stakeholders during the community engagement process. Each report is accompanied by a snapshot of key findings and an appendix with accompanying tables and graphs. It is important to consider the regional report and its accompanying sub-regional reports as a whole. For greater detail about the communities that make up the CVRD, please refer to their respective sub-regional reports.

THE HOUSING SPECTRUM

A housing spectrum is a tool used to illustrate common types of housing (non-market, market, rental, ownership) and forms of housing (apartment, duplex, row house, single-detached house, etc.). The purpose of the spectrum is to help illustrate the importance of multiple types and forms of

housing in maintaining a healthy, sustainable and adaptive housing system. Used around the world, a housing spectrum typically displays housing as a linear progression from homelessness to homeownership based on the assumption that people will move from left to right with homeownership as the ultimate goal.

While it is a useful tool for visualizing many available housing options, some communities are exploring an alternative approach that can be customized to local housing needs and promote greater equity, diversity and inclusivity. The City of Kelowna's Housing Wheelhouse (Figure 1) shows a circular model reflecting the reality that people's housing needs are changing as they go through their lives.

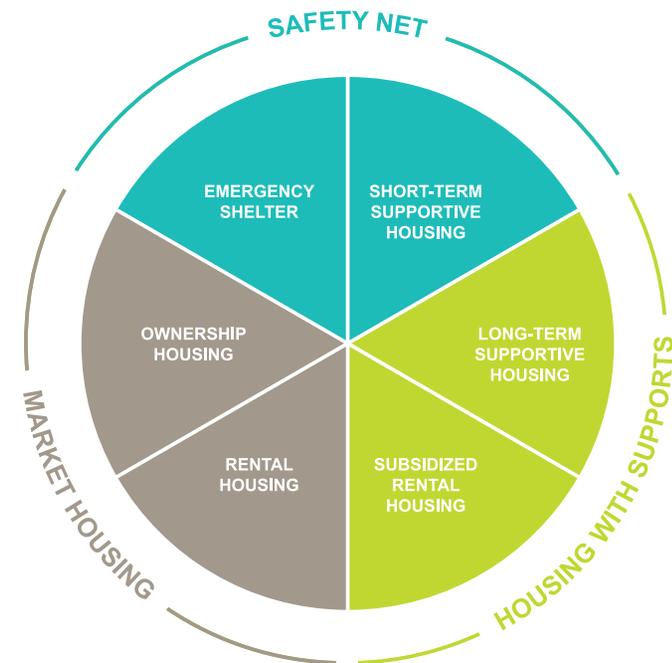


Figure 1: The City of Kelowna's Housing Wheelhouse.

The Housing Wheelhouse reflects the fact that a healthy housing stock needs to include a variety of housing forms and tenures to meet the diverse needs of residents from different socio-economic backgrounds and at every stage of their lives.

This spectrum also includes typical income ranges for each housing type. The income ranges in each segment are based on the historic incomes of households of those tenures in the CVRD from the 2016 Census. The income ranges capture 75% of the population for each tenure type.

Figure 2 is a housing spectrum adapted from the Canada Mortgage and Housing Corporation (CMHC) spectrum specifically for the CVRD. The headings featured in this spectrum and accompanying glossary are used throughout this report.



Figure 2: The CVRD Housing Spectrum (adapted from CMHC Housing Spectrum).

GOVERNANCE CONTEXT

Housing needs assessments are a way for communities to better understand their current and future housing needs. These reports can help identify existing and projected gaps in housing supply by collecting and analyzing quantitative and qualitative information about local demographics, economics, housing stock and other factors. This builds understanding critical to developing housing policies in an official community plan.

In the CVRD, the Municipality of North Cowichan is in the process of updating its official community plan, and the City of Duncan is initiating an update of its official community plan. The CVRD is currently harmonizing seven electoral area official community plans and eight zoning bylaws into one OCP for the Electoral Areas (OCP). The OCP Draft Bylaw 4270 has been given second reading at the time this report has been drafted. (Note that the OCP has not included any amenity policies. The Regional Board will separately consider an amenity policy for all electoral areas concurrent with the adoption of Bylaw 4270.)

Currently, each member municipality is covered by an OCP:

- The Corporation of the District of North Cowichan Official Community Plan Bylaw (Bylaw 3450) (2011)
- City of Duncan Official Community Plan Bylaw No. 2030 (2007)
- Town of Ladysmith Community Plan Bylaw No. 1488 (2018)

- Town of Lake Cowichan Official Community Plan Bylaw No. 1022-2019 (2019)

The CVRD electoral areas are covered by seven OCPs:

- South Cowichan Official Community Plan No. 3510 (2011, covers electoral areas A, B and C)
- Electoral Area D – Cowichan Bay Official Community Plan No. 3605 (2013)
- Electoral Area E and Part of F – Cowichan - Koksilah Official Community Plan No. 1490 (1994)
- Electoral Area F – West Cowichan Official Community Plan No. 1945 (1999)
- Electoral Area G – Saltair Official Community Plan No. 2500 (2005)
- Electoral Area H – North Oyster - Diamond Official Community Plan No. 1497 (1993)
- Electoral Area I – Youbou/Meade Creek Official Community Plan No. 2650 (2005)

As part of the background research phase of this work, a review was completed of existing housing policies by CVRD jurisdiction. Find in Appendix I a table identifying the existing housing policies by housing spectrum category and by cross-cutting theme for each CVRD jurisdiction.

See in Appendix I Table 1: Housing Policy by Housing Spectrum Category and Table 2: Housing Policy by Cross-Cutting Theme.

METHODOLOGY SUMMARY

The Housing Needs Assessment was developed through a four-phase process.

THE FIRST PHASE was focused on conducting background research, including a review of existing housing need analyses and official community plans of all electoral areas and member municipalities, and analyzing quantitative data on demographics, economic indicators and housing supply.

THE SECOND PHASE focused on quantitative data collection, analysis and projections. This was supplemented by a communications and engagement process to enhance our understanding with qualitative research, which included an online questionnaire, background interviews, Community Cafés and outreach to First Nations.

THE THIRD PHASE focused on preparing findings and analysis reports for each member municipality, electoral area and the CVRD and outlining limitations.

THE FOURTH PHASE included finalizing housing needs assessment reports for each electoral area and member municipality and an overall regional report. This phase includes report presentations to elected officials, key stakeholders and the public.



Figure 3: Housing Needs Assessment Process Diagram.

RESEARCH METHODOLOGY

The report is the result of the collection, consolidation and analysis of multiple datasets prescribed by British Columbia's Housing Needs Report Regulation, approved April 16, 2019, as part of the *Local Government Statutes (Housing Needs Reports) Amendment Act*, 2018, S.B.C, c.20. Each report section is meant, where possible, to provide a summary of regional trends, as well as comparisons among the CVRD's individual participant communities, including the nine electoral areas and four municipalities.

Data sources include projections from Environics Analytics and rennie intelligence and a Province of British Columbia custom Statistics Canada dataset. These were supported by land economists GP Rollo & Associates and complemented by qualitative data from a public, stakeholder and First Nations engagement process. For a comprehensive explanation of the report's methodology, including full details on the assumptions, see Appendix II.

It is important to consider the regional report and it's accompanying sub-regional reports as a whole. For greater detail about the communities that make up the CVRD, please refer to their respective sub-regional reports.

QUANTITATIVE DATA: SOURCES AND LIMITATIONS

Although the report aims to maintain consistency in the data it shares and analyzes, there are some notable considerations to keep in mind, as follows.

1

POPULATION LIVING OUTSIDE OF PRIVATE HOUSEHOLDS, MOST NOTABLY THOSE LIVING IN CARE FACILITIES

In order to provide tenure-specific information (i.e. owner and renter households), the report used the custom Statistics Canada dataset generated by the Province. When compared to typical available Statistics Canada data, there may be discrepancies for total population numbers. This is because the custom data only reports on “usual residents”—those permanently residing on the premises—while typical Statistics Canada data takes the total population into account (including those living in care facilities). When making community comparisons, we use shares or percentages to limit confusion between the datasets.

2

CENSUS DATA ROUNDING

Census data is always rounded to the nearest five (rounded either up or down to a multiple of 5 or 10). This has little impact for large totals (total population, total households, total renter households, etc.) but can create significant rounding errors in smaller groups of data. For example, the number of renters in extreme core housing need in some jurisdictions in the CVRD may be rounded to 15 or 20, so this rounding error may lead to a difference of up to 20%.

What census data gains in completeness and depth (many kinds of data are available for a wide selection of geographies), it loses in accuracy. Very rarely do items that should add up to a particular sum actually add up to that sum in census reports, particularly in smaller jurisdictions. This is likely due to two factors: a) rounding errors as mentioned above, and b) errors due to weighting: not all census data is derived from the whole population; for some items, only 25% of the population is surveyed and the population-wide results are inferred. Performing this operation for smaller jurisdictions often produces errors.

Both traditional Statistics Canada data and the custom dataset may have small discrepancies between its data categories for populations or households. The differences are due to statistical rounding within each individual category, which may result in those categorical sums differing from others.

However, use of census data produces the following strength: since all Housing Needs Assessments in BC will be based on the same custom census reports, they should be easy to compare to one another and to update in future.

3

TEMPORAL GAP

The data provided only reflects the last three Canadian censuses (2006, 2011 and 2016) meaning that our window of analysis is limited to this

ten-year period. Not only are older or longer-term trends invisible under this methodology, but more importantly, any change that took place between 2016 and 2020 is also inaccessible. Additional data sources (most notably BC Assessment data and demographic estimates from Environics Analytics) were therefore used to bridge the temporal gap from the 2016 Census to the present.

4

LACK OF 2020 DATA

At the time that data analysis for this project commenced, the most up-to-date demographic estimate from Environics Analytics reflected 2019 rather than 2020. For lack of better options, this 2019 data is used to stand in for 2020 data when necessary.

5

PROJECTION

To produce a projection for 2020–2025, historic data from the 2016 Census of Canada and 2019 Property Assessment Rolls was combined with projections from Environics Analytics¹ and rennie². rennie's approach has the following limitation: it is not dependent upon the residential property market and makes no allowance for future trends that deviate from historical trends. This is methodologically defensible and appropriately conservative but ignores the likely impact of southwestern

BC's currently acute housing shortage, which has led to unprecedented prices and increased demand for housing in the CVRD.

6 CALCULATING HOUSING NEED BY NUMBER OF BEDROOMS

In this housing needs report, most jurisdictions show a strong need for one-bedroom units based on the following definition of need: one bedroom of need corresponds with one-person and one-couple households. According to the 2016 Census, one-couple households comprise about 89% of two-person households. According to this definition of need, all jurisdictions in the CVRD in 2016 had a significant over-supply of two-bedroom and three-or-more-bedroom homes, since only 9% of the region's homes had one bedroom, 26% had two bedrooms and 65% had three or more bedrooms. This implies that many households possess more bedrooms than they need but does not speak to the market demand for two-bedroom and three-plus-bedroom homes.

7 AFFORDABILITY AS AN APPROXIMATION

The analysis of housing affordability for owner and rental households assumes that the wealthiest 1% of households will occupy the most expensive 1% of homes, the wealthiest 10% of households will occupy the most expensive 10% of homes, etc. Assigning homes to income

groups in this way reveals which income groups might struggle to pay for housing in which jurisdictions. Note that this is only an approximation. In reality, some households will occupy more expensive or less expensive homes than this assumption would assign to them.

8 EXTERNAL IMPACTS ON HOUSING

As with any projection work, emerging trends and issues add further uncertainty to the assessment presented in this report. Population, household and housing projections are only able to provide a sense of what will happen in the future, should current assumptions remain the same over time.

In reality, population growth and housing needs are highly dependent on unpredictable external factors. Not only will changes to zoning and development policy in the CVRD impact development trends, but any such changes throughout southwestern BC. Policies impacting tenures, such as strata insurance premiums, may decrease affordability for some homeowners or may incentivize rental development. Other policies that could disincentivize homeownership or residential vacancy include vacant home taxes, foreign buyer taxes or mortgage lending regulations.

The COVID-19 pandemic has caused widespread loss of employment across the globe and will likely have ongoing impacts for years to come, the implications of which are still unclear. It has also raised questions

about the future of work as it is unclear to which degree remote employment will persist into the future.

In summary, these projections will be impacted by external influences beyond the local government's control and their ability to foresee. This is important to keep in mind when using projections to inform future planning and decision-making.

QUALITATIVE DATA: OVERVIEW OF ENGAGEMENT PROCESS

MODUS Planning Design & Engagement completed qualitative information collection through background document review and designed and delivered public, stakeholder and First Nations engagement.

Qualitative information was collected through a regional engagement process guided by a communications and engagement plan. The COVID-19 health context and ministerial orders limited the size of gatherings, hence our engagement activities focused on virtual opportunities. The engagement activities included Community Cafés in three themes, key stakeholder interviews and a PlaceSpeak questionnaire.

The purpose of the regional engagement strategy was to collect general information that complemented and illustrated quantitative data collection and analysis to highlight community perspectives relating to relevant topics of the report. The information from all engagement activities helped us understand community perspectives as they relate to demographics,

income and economy, housing profile and housing needs. See Appendix II for a detailed description of our engagement methodology.

Our engagement strategy involved the following engagement activities.

COMMUNITY CAFÉS

Three virtual Community Cafés were carried out to facilitate discussion about current and future housing needs. These were separated into the following three themes: Health, Youth/families and Economy. Sixty organizations were invited to Community Cafés and 16 organizations participated.

KEY STAKEHOLDER INTERVIEWS

A series of background interviews was conducted with key stakeholders to better understand the current state of housing and trends in market and non-market housing. Stakeholders from 33 organizations were invited to participate, including community organizations, housing organizations, housing providers and developers.

PLACESPEAK

Residents from across the CVRD, including all nine electoral areas and four member municipalities, were invited to participate in an online PlaceSpeak questionnaire that ran from September 1 to October 13, 2020. Residents were also invited to participate in a Placelt activity, where they indicated on a map what kind of housing is needed where and why. Over that time, 251 participants participated in the online questionnaire or Placelt activity including nine who submitted paper copies of the questionnaire.

DEMOGRAPHIC PROFILE

The following demographic profile presents historic data for the region as collected from the Statistics Canada Census.

GROWTH: From 2006 to 2016, the CVRD's population grew more slowly (8%) than BC's (12%).

HOUSEHOLD SIZE: Household sizes in BC and throughout the CVRD decreased from 2006–2016. In general, jurisdictions with smaller households tended to be more senior in age composition.

AGE: From 2006 to 2016, the CVRD remained older than BC and aged more quickly (median age increased from 41 to 45). Within the CVRD, the youngest jurisdictions are electoral areas B and E, and the oldest jurisdictions are electoral areas C, G and H.

RENTERS: The municipalities, in general, have more renters, and the electoral areas have fewer. The electoral areas generally have a lower share of renter households than the CVRD as a whole. Compared to BC, a smaller share of households in the CVRD are renters, but the same upward trend as in BC is present: renters increased from 20% to 22% of all households.



COMMUNITY PERSPECTIVES

Different generations are facing a spectrum of housing challenges.

While difficulties are varied across generations, housing in the region presents a challenge to community members of all ages. Cost of living and stagnant wages are major barriers for young people seeking to enter the housing market, while older homeowners feel rising home ownership costs are stretching their incomes too thin. Despite older generations being perceived as more housing secure, senior homeowners expressed concerns around downsizing to financially and physically appropriate dwellings that meet their mobility needs and fit within their fixed incomes.

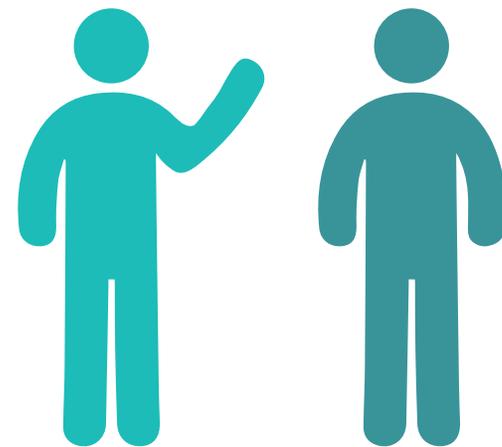
“EVEN PEOPLE WHO ARE ADEQUATELY HOUSED ARE PRECARIOUSLY HOUSED BECAUSE THEY WOULD STRUGGLE TO FIND HOUSING IF THEY LOST THEIR CURRENT ACCOMMODATION.”

“I CAN'T SAVE FOR MAJOR REPAIRS AND RETIREMENT. I HAVE A LEVEL OF FINANCIAL INSECURITY THAT I SHOULD NOT HAVE FOR THE VALUE OF MY HOME AND MY INCOME.”

“I AM A SENIOR. THE GREATEST CHALLENGE I AM FACING IS MANAGING THE YARD AND PROPERTY. I MAY NEED TO BUILD A RAMP FOR ACCESSIBILITY IN THE FUTURE. ALTHOUGH I AM LIVING COMFORTABLY NOW, HEALTH ISSUES IN THE FUTURE MAY GREATLY DECREASE MY INCOME.”

“OUR HOUSE VALUE HAS MORE THAN DOUBLED IN SIX YEARS. THAT'S PREPOSTEROUS.”

“HOUSING IS NOT AFFORDABLE, ESPECIALLY FOR NEW, YOUNG FAMILIES JUST STARTING OUT. WHILE INTEREST RATES ARE LOW, QUALIFYING HAS BECOME VIRTUALLY IMPOSSIBLE.”



THE COWICHAN VALLEY IS HOME TO AN AGING POPULATION.

The aging population presents a greater need for aging-in-place options, accessible housing units and co-operative housing models that support the social and emotional well-being of senior residents.



I LIVE IN A MOBILE HOME PARK, WHICH SATISFACTORILY MEETS THE NEEDS OF MY NEIGHBOURS AND MYSELF. THE CHALLENGE IS FINDING SOMEWHERE TO LIVE WHEN WE ARE NO LONGER ABLE TO LIVE IN OUR OWN HOMES. THE DEMAND FOR ASSISTED LIVING FACILITIES WILL GROW AS OUR POPULATION OF VULNERABLE ELDERLY GROWS. WE WORRY THAT THE REALITY WON'T KEEP UP WITH THE DEMAND,



I KNOW MANY ACTIVE, SINGLE SENIORS WHO ARE LOOKING TO DOWNSIZE. THEY ARE LOOKING FOR AFFORDABLE HOMES, EITHER IN THE CO-HOUSING TYPE OF CATEGORY OR SMALL, LOW MAINTENANCE BUNGALOWS. ALSO I THINK THERE IS A NEED FOR AFFORDABLE, RENTAL TOWNHOME TYPE DWELLINGS,

47

Many questionnaire respondents, especially parents and older adults, were deeply empathetic to the housing challenges faced by younger community members. Parents expressed gratitude that their housing was secure but had concerns about their children being subjected to housing instability and unaffordability.



MY CHILDREN CANNOT AFFORD TO BUY A SMALL HOME. PRICES HAVE SKYROCKETED OUT OF CONTROL BECAUSE WE HAVE ALLOWED SO MANY BUYERS TO INVAD FROM OUT OF OUR AREA. THEY DRIVE PRICES UP MAKING THEM COMPLETELY UNAFFORDABLE FOR OUR KIDS AND THE NEXT GENERATIONS TO EVEN GET A FOOT IN THE DOOR AS HOME OWNERS. NOT EVERYONE CAN LIVE IN A CONDO OR APARTMENT,



MY TWO YOUNG ADULT CHILDREN STRUGGLE TO AFFORD ANY KIND OF HOUSING, LET ALONE AFFORDABLE HOUSING,

POPULATION

From 2006 to 2016, the BC population grew from 4.1 million to approximately 4.6 million, an increase of 12%. By comparison, the CVRD grew somewhat more slowly, from 75,000 to 82,000 for a total 8% growth during this decade.

Within the CVRD, jurisdictions that grew particularly rapidly included Ladysmith and electoral areas A, B and D. Duncan and electoral area F both decreased in population by 7% during this period, although in both cases this decline took place entirely in the 2006–2011 period; between 2011 and 2016 none of the region’s 13 jurisdictions decreased in population.

See Appendix I Table 3: Population by jurisdiction over time from 2006–2016 and Table 4: Share of CVRD population over time from 2006–2016.

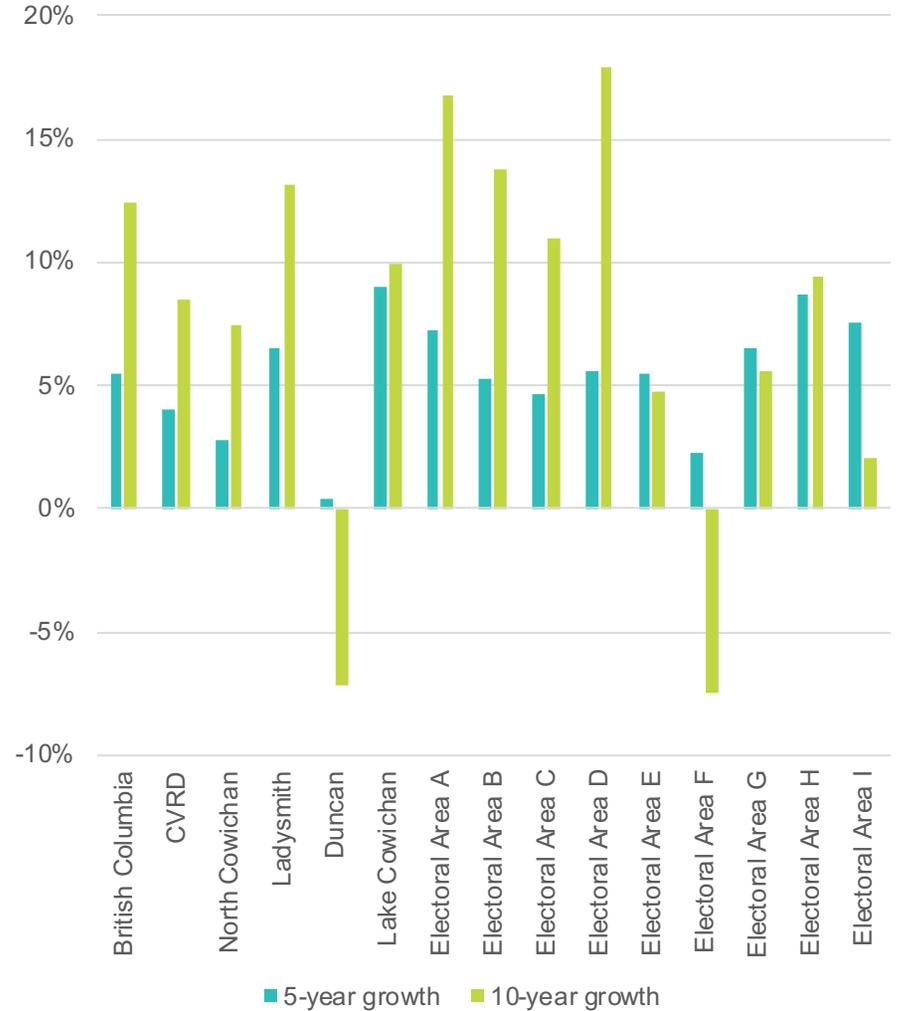
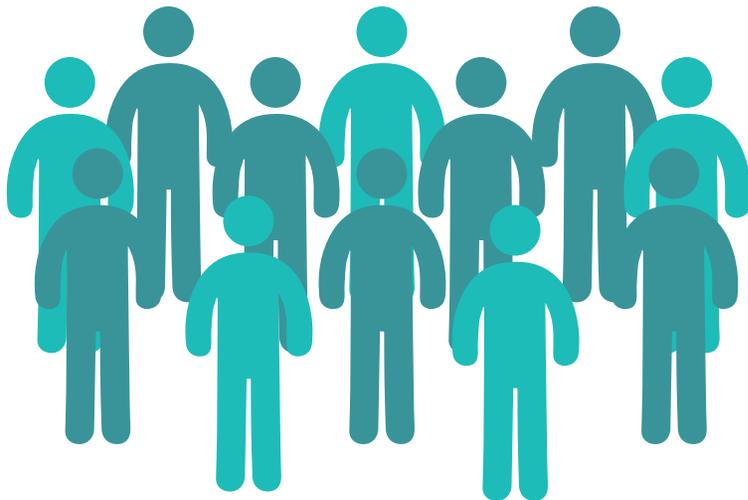


Figure 4: Five-year and ten-year population change by jurisdiction.

North Cowichan is the largest jurisdiction in the CVRD and makes up more than one-third of its population. Ladysmith and electoral area B each make up about 10%, with other jurisdictions containing 1%–6% each. About 5% of the region’s population falls outside of the 13 jurisdictions, mostly on First Nations lands.

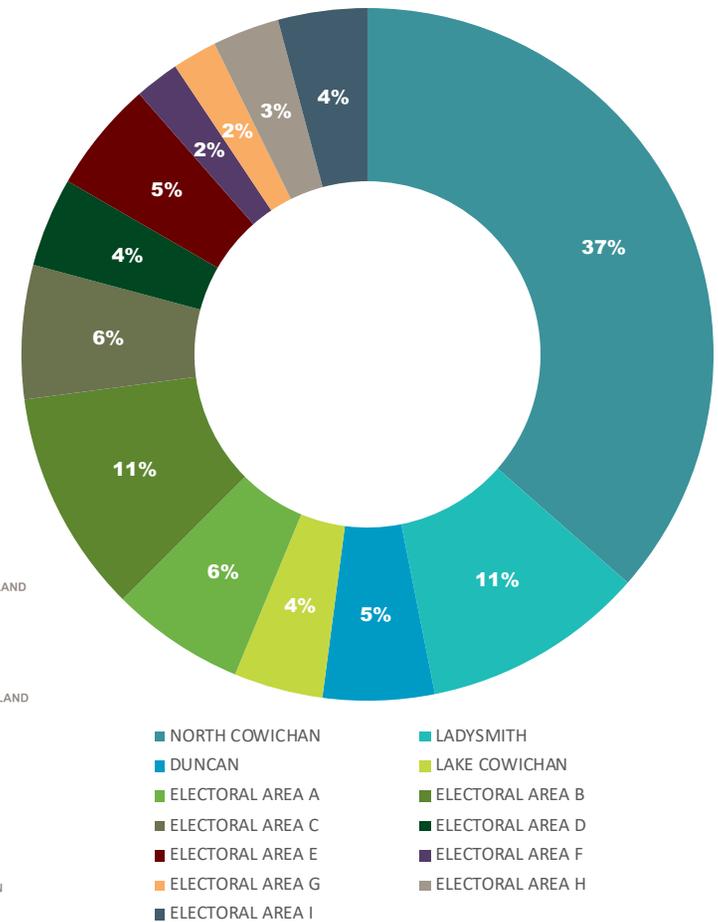
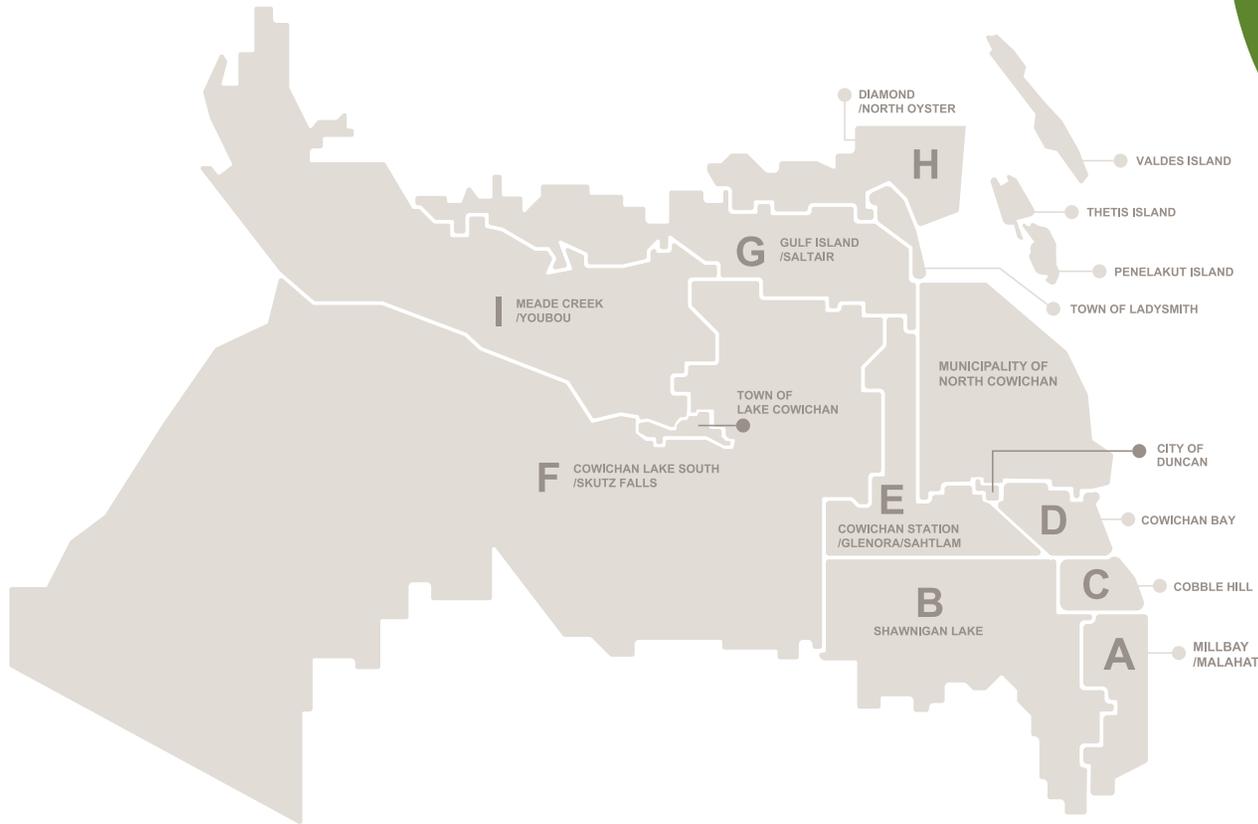


Figure 5: Share of CVRD population in 2016.

AGE

From 2006–2016, BC got older: children (14 or younger) decreased from 17% to 15% of the population, seniors aged 65–84 increased from 13% to 16% and the average age increased by almost three years, from about 39 to 42.

Throughout this period, the CVRD has remained somewhat older than BC, with a greater share of its population above 65 years old. The CVRD has also aged more rapidly than BC, increasing in average age by almost four years from 41 to 45.

Within the CVRD, the youngest jurisdictions are electoral areas B and E, and the oldest jurisdictions are electoral areas C, G and H. Jurisdictions that have aged most quickly include Lake Cowichan and electoral areas F and G, and the jurisdiction that has aged least quickly is Duncan.

See Appendix I Tables 5–7 Age distribution by jurisdiction in 2006, 2011 and 2016.

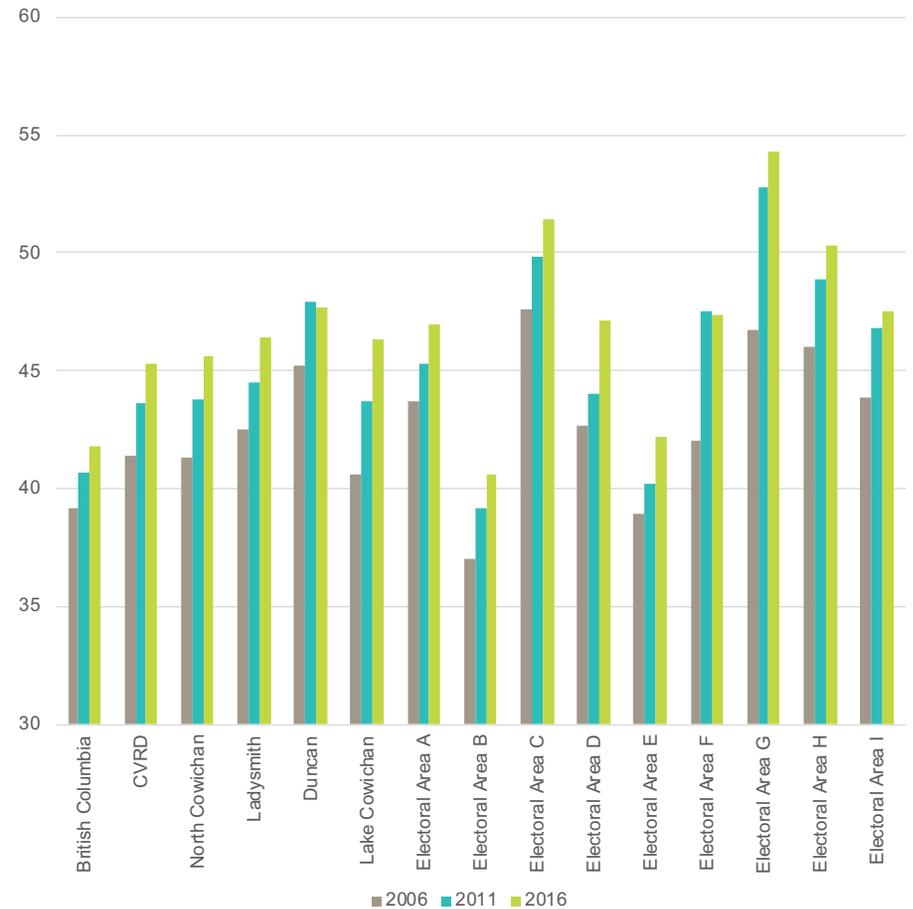
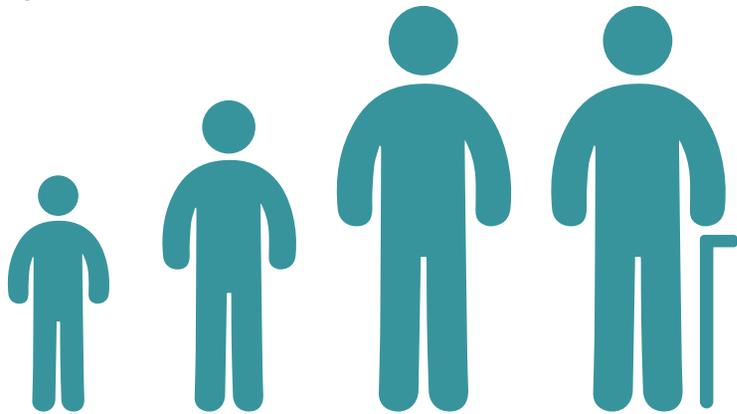


Figure 6: Average age by jurisdiction from 2006–2016.

HOUSEHOLD SIZE

Household sizes in BC and throughout the CVRD decreased from 2006–2016.

In general, jurisdictions with smaller households tended to be more senior in age composition. This is intuitive since families with children are typically larger.

See Appendix I Tables 8–10 Distribution of households by number of persons in 2006, 2011 and 2016.

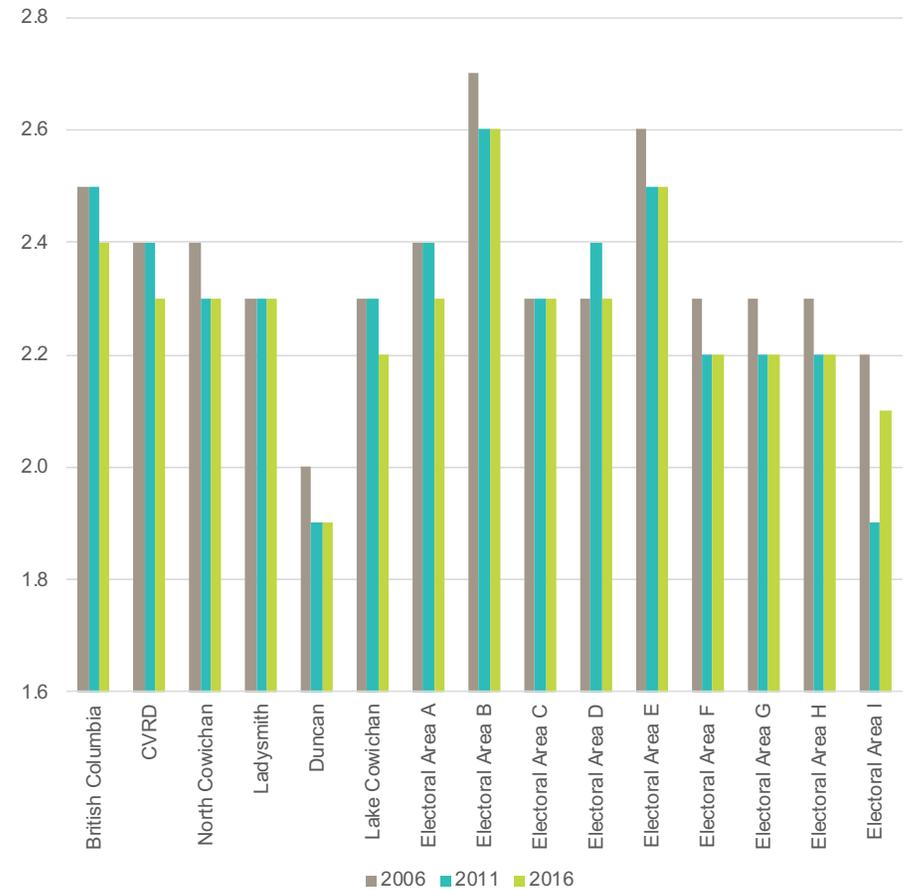


Figure 7: Average household size by jurisdiction from 2006–2016.

TENURE

From 2006–2016, renters as a share of all households in BC increased slightly 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. Despite the generally upward trend, renter shares actually decreased slightly from 2006 to 2011 and then increased from 2011 to 2016. This “rebound” effect is just barely present in BC as a whole, but noticeable in the CVRD and in Duncan, electoral area A and particularly in electoral areas B, C, D, E and F.

The CVRD has a renter share of about 22% overall. Ladysmith exhibits about the same share (19%) but North Cowichan and Lake Cowichan have more renters (25% and 26%, respectively) and Duncan has far more renters (46%). In fact, Duncan is the only jurisdiction in the CVRD with a greater share of renter households than the BC average. The electoral areas generally have a lower share of renter households than the CVRD, although during this decade electoral areas F and I surpassed the region, reaching 23% and 25%, respectively. Electoral area G had a continuously decreasing renter share (from 12% to 10%), making it the jurisdiction with the lowest rental share in 2016.

As a share of all households, renter households in subsidized housing made up about 4% in both 2011 and 2016 (2006 data is unavailable)

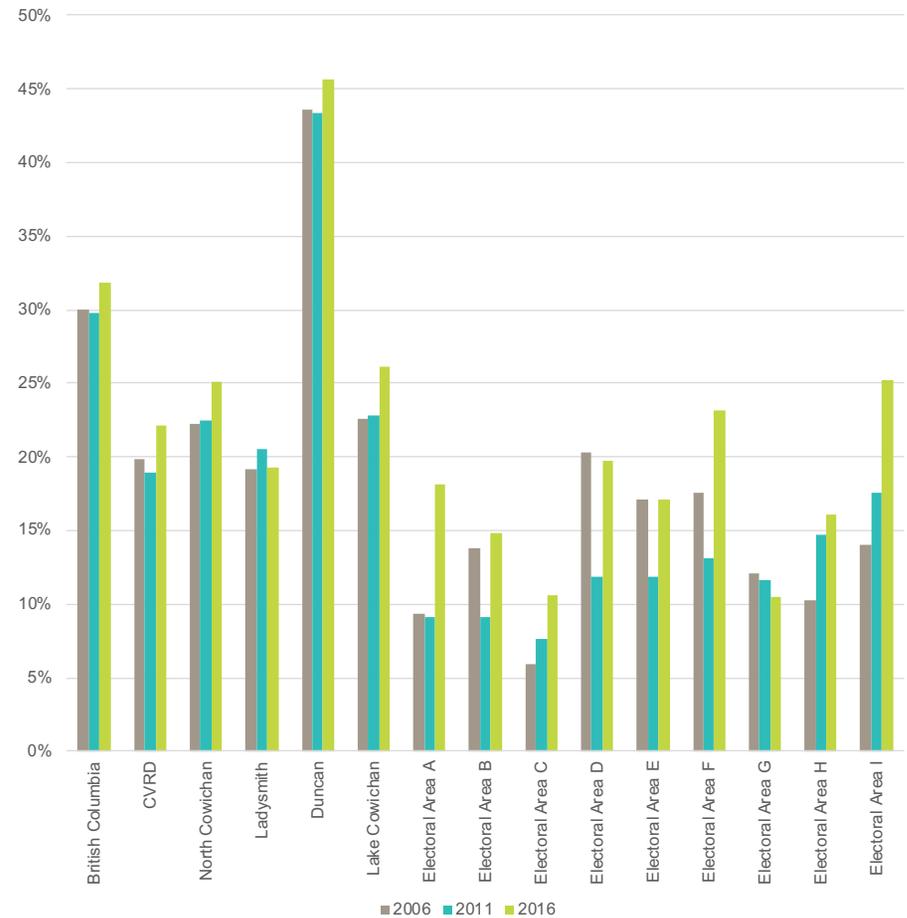


Figure 8: Share of households renting.

See Appendix I Table 11: Share of households renting between 2006 and 2016 and Table 12: Renters in subsidized housing as share of total households from 2011–2016.

for this variable). They make up a lower and decreasing share of households in the CVRD (from 3% in 2011 to 2% in 2016). Within the CVRD, this share decreased considerably in North Cowichan (4% to 3%), Ladysmith (5% to 3%), Lake Cowichan (6% to 3%) and electoral area E (3% to 1%), but increased considerably in Duncan (6% to 9%). The share also increased in electoral areas B, C, D and G (from 0% to 1% in each) and electoral area F and I (from 0% to 2% in each).

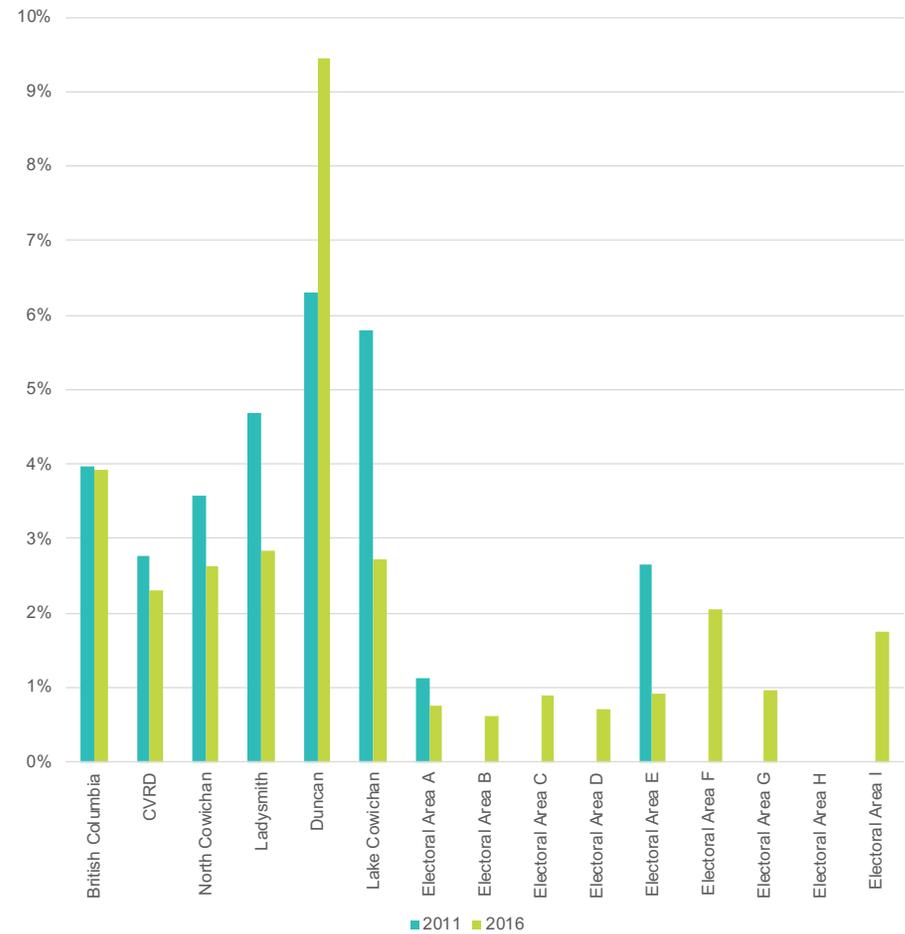


Figure 9: Renters in subsidized housing as share of total households.

UNHOUSED POPULATION

The Summer Point-in-Time Homeless Count and Homeless Needs Survey Community Report completed in 2017 was done as a point-in-time count in order to obtain a snapshot of people who are absolutely homeless in a community over a 24-hour timeframe. The summer 2017 homeless count took place in the Cowichan Valley Region on August 15-16 over a 24-hour period. Count sites were located in the Duncan-North Cowichan core area, Ladysmith, Chemainus, Lake Cowichan and Mill Bay. A Housing Needs survey was also undertaken with people who were experiencing “hidden homelessness” and people at risk of homelessness.

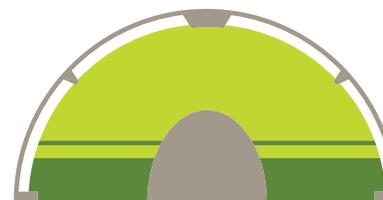
Note that point-in-time counts are known to be undercounts and represent only those individuals identified during a 24-hour period. This is because not everyone experiencing homelessness can be found and not everyone who is found is willing to be surveyed.

It is particularly hard to locate and count people who are experiencing homeless in rural areas, so there may be more people who are homeless in rural areas across the CVRD, especially people who may be considered hidden homeless, who are more difficult to locate and count. 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. Additionally, in rural areas there are places that homeless people could camp out and few people might know they are there.

People who are homeless throughout the CVRD tend to stay close to a community hub where they can access vital services, such as a food bank. Engagement results suggest that those seeking emergency shelter and supportive services frequently travel to regional community-level service centres, including Duncan and North Cowichan, where many programs and services exist. People who are homeless may also travel to smaller centres across the CVRD, including the Towns of Ladysmith and Lake Cowichan, and communities within the electoral areas such as Mill Bay, Cowichan Bay or others.

The Summer Point-in-Time Homeless Count in 2017 counted 89 people as absolutely homeless, 61 people as hidden homeless and 39 people as at-risk of being homeless for a total of 189 people across the CVRD. Of this, 80% of people were in the Duncan and North Cowichan core area.

The number of absolutely homeless people increased by over 50% between 2014–2017 and is increasing across the CVRD—in the 2014 count, just two people were counted outside the Duncan and North Cowichan core area; in the 2017 count this had increased to 13 people.



Key demographic findings include:

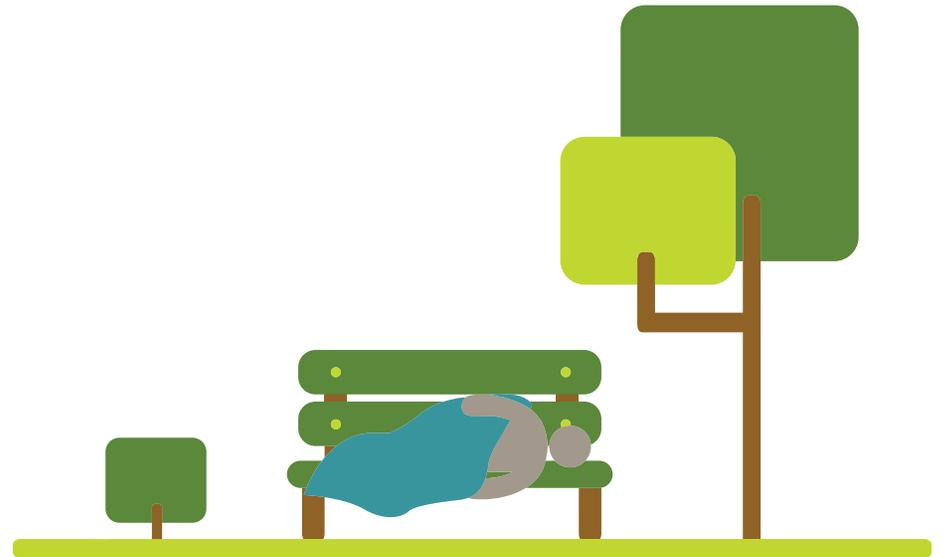
- Men make up the majority of the absolutely homeless population in Duncan and the CVRD, which is consistent across homeless counts.
- The share of Indigenous people counted as homeless in the CVRD has been steadily increasing, from 26% in 2014 (15 people) to 39% in 2017 (35 people). In all categories, Indigenous people are overrepresented (39%–55% of people counted or surveyed).
- The average age of people who are absolutely homeless in the CVRD is in the late 40s, which has been consistent across homeless counts completed in the CVRD.
- Approximately one-third of people who were absolutely homeless had been in foster care. Over two-thirds of this group (67%) were Indigenous.
- Youth homelessness was more visible in the summer count than in the winter count. Three teens were included in the count—one who was absolutely homeless and two who were experiencing hidden homelessness.
- Most people (63%–78%) have lived in the CVRD for two years or longer.

Other key findings include:

- Abuse and conflict remain at the top of the list of reasons for the loss of housing for all subgroups.

- For people experiencing hidden homelessness and people at risk of homelessness, there was an increase in the number of concerns expressed about the safety and quality of rental units and problems with landlords.
- Many of the people surveyed have experienced a chronic state of insecure housing. For many people this began before the age of 25.
- It is likely that the number of people experiencing homelessness and insecure housing will continue to increase in the CVRD in coming years. The impact of the housing shortage and poor quality of low-income housing is likely to bring increased social strains for the most vulnerable population in the region.

The full results of the 2020 Homeless Count, completed in March 2020, are not yet available. Preliminary results show that there was a 14% decrease in the number of people counted across the CVRD.



TRANSPORTATION

For a more fulsome understanding of housing affordability in a region, it's important to study its transportation networks. Transportation costs are a key part of the affordability equation because a home's location and its surrounding land use patterns dictate whether a resident needs a personal vehicle. While rent or a mortgage may seem more affordable in rural areas, the need to drive for employment, services, parks, schools and other daily needs places a significant burden on resident pocketbooks. For this reason, the relative affordability in more remote parts of the Cowichan Valley may be masking the actual costs of rural living.

In the Cowichan Valley Regional District, approximately 89% of commuters used a private automobile to get to work in 2016. Travelling to work by car took an average of 25 minutes (one way) and those who took the bus travelled an average of 55 minutes (one way). There are a total of 16 bus routes that service the region with most of the lines converging in the City of Duncan.

In many respects, Duncan acts as the transit hub for the region. The Municipality of North Cowichan, with its close proximity to Duncan, is also served by numerous bus routes, though its larger geographic area and disparate communities makes it challenging to provide a wide range of transit options. The Towns of Ladysmith and Lake Cowichan, which are also incorporated municipalities, are fairly compact with limited transit service. Here, routes are focused on connecting them to neighbouring electoral areas and municipalities. These four incorporated municipalities

have the benefit of having a relatively good mix of land uses where residents can meet most of their daily needs within a short distance from home. They also benefit from having transportation infrastructure within their jurisdiction. This means they can more easily incorporate and design sidewalks, bike routes and streets that encourage walking, biking and transit to lower residents' transportation costs.

On the other hand, the nine electoral areas don't have these same powers. Streets and rights-of-way fall under the jurisdiction of the province's Ministry of Transportation and Infrastructure. Communities within the electoral areas are thus often lacking the types of street designs that could reduce car dependency and could make lower-cost transportation options safer and more convenient. Nonetheless, some electoral areas (notably A, C and D) have a mix of uses that is more favourable for shorter car trips and more walking and biking. Transit in the southern parts of the region is also bolstered by the additional express and commuter lines that connect Shawnigan Lake, Cobble Hill, Mill Bay, Cowichan Bay and Duncan to Victoria.



Electoral areas E, F and I have limited bus service and very little in the way of population densities, mix of uses and street connectivity that would allow residents to choose less expensive transportation options. Finally, electoral areas G and H don't participate in the regional transit system and thus residents have little option but to use a personal vehicle for most of their travelling.

See Appendix I Table 13: Annual rides and trips by bus route in the CVRD in 2019.



INCOME AND ECONOMY



The following section provides an overview of historic income and economy data from the Statistics Canada Census.

HOUSEHOLD INCOME: After inflation is removed from the analysis, median household incomes in BC show no change between 2006 and 2016, and the CVRD shows a downward trend. In 2016, the largest household income group (in statistical parlance, the mode) in BC and the CVRD earned \$30,000–\$39,999 per year.

INCOME DISPARITY: Income inequality in BC is more extreme than income inequality in the CVRD.

UNEMPLOYMENT: Unemployment has generally been highest in Duncan (10%) and Lake Cowichan (12%), and was particularly high for electoral I in 2011 (17%). Unemployment has generally been lowest in Ladysmith and electoral areas A and B (6%).

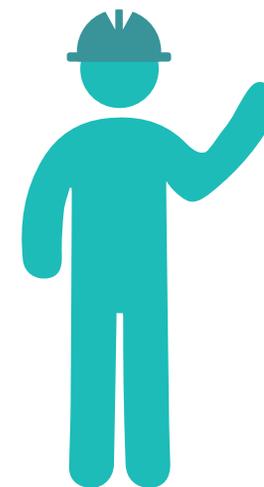
LABOUR FORCE: Unemployment has generally been higher in the CVRD than in BC between 2006 and 2016. Within the CVRD, the labour force is somewhat geographically clustered. The industry sector composition of the CVRD's labour force is similar to that of BC, with the following exceptions.

INDUSTRIES IN WHICH THE CVRD HAS A LARGER SHARE OF THE LABOUR FORCE THAN BC:

- Healthcare and social assistance
- Construction
- Public administration
- Agriculture, forestry, fishing and hunting

INDUSTRIES IN WHICH THE CVRD HAS A SMALLER SHARE OF LABOUR FORCE THAN BC:

- Professional, scientific and technical services
- Transportation and warehousing
- Information and cultural services



COMMUNITY PERSPECTIVES

Housing costs are misaligned with regional wages. Despite working full-time or contributing to a dual-income household, many feel that average to high incomes are no longer sufficient to rent in the region, let alone purchase a home.



DUETO THE LACK OF AFFORDABLE HOUSING WITHIN THE COWICHAN VALLEY, THE DEMAND HAS OUTSTRIPPED THE SUPPLY, LEADING TO A LOCALIZED BUBBLE WHEREBY SINGLE DWELLING HOMES THAT SHOULD BE AFFORDABLE ARE SOLD AT INFLATED PRICES. THIS CAUSES MANY YOUNG FAMILIES WITH GOOD PAYING JOBS TO OVERREACH FINANCIALLY AND KEEPS MANY YOUNG ADULTS WANTING TO START A FAMILY FROM DOING SO,



RENTS NEED TO BE LOWERED OR SUBSIDIZED FOR PEOPLE WHO WORK FULL TIME AND ARE STILL NOT MAKING ENOUGH,



POVERTY REMAINS ONE OF THE MAJOR CONTRIBUTING FACTORS TO HOMELESSNESS. MANY PEOPLE LIVING IN THE CVRD EARN LESS THAN THE PROVINCIAL AVERAGE. IN DUNCAN AND LAKE COWICHAN, THE NUMBER OF PEOPLE IN THIS SITUATION IS EVEN HIGHER,



I THINK SUPPORT FOR PEOPLE WHO HAVE MINIMUM WAGE JOBS IS DESPERATELY NEEDED. MY DAUGHTER WORKS AND HER WHOLE PAY CHEQUE GOES TO RENT, AND HER HUSBAND'S CHEQUE PAYS FOR UTILITIES, FOOD AND GAS. IF EITHER ONE HAS TO STAY HOME DUE TO ILLNESS (THEIR OWN OR THEIR SON'S) THEY HAVE A REALLY TOUGH MONTH BECAUSE THEY CAN JUST NEARLY MEET THE COST OF RENT AND UTILITIES ON TWO MINIMUM WAGE JOBS,



SENIORS AND THOSE LIVING ON INCOME ASSISTANCE OR MAKING LESS THAN THE MEDIAN INCOME ARE MOST VULNERABLE TO HOUSING CHALLENGES.

When asked which groups were most vulnerable to housing challenges, respondents communicated that seniors and those living on income assistance or making less than the median income, especially those living alone, would have the greatest difficulty obtaining housing. Low wages and fixed incomes make these groups especially vulnerable to unstable housing conditions.

““

I AM ON A DISABILITY PENSION THAT IS NOT A LIVING WAGE. RESIDING WITH MY SENIOR RELATIVE LEAVES ME VERY VULNERABLE.”

““

WE ARE FORTUNATE THAT WE HAVE HOUSING, BUT AS OUR INCOME DIMINISHES IN RELATION TO THE RATE OF INFLATION, THIS COULD LEAD US TO HOMELESSNESS.”

COMMUNITY MEMBERS ARE SEEKING MORE AFFORDABLE HOUSING OPTIONS FURTHER FROM WORK.

Due to housing costs in their communities, residents are relocating to other, more affordable communities that are further from their jobs. As a result, some may have long commutes, be more reliant on personal vehicles or be limited in future job opportunities due to public transit constraints. Seasonal workers, especially those in agriculture, are exceptionally burdened by this issue.

““

THE BUS RARELY COMES, AND THE ROUTE GOES IN CIRCLES THROUGH SHAWNIGAN LAKE, COBBLE HILL AND COWICHAN BAY. IT TAKES AN HOUR TO GET TO WORK (NORMALLY A 20-MINUTE DRIVE) AND I'M CAR SICK WHEN I ARRIVE. I HAD TO BUY A CAR, AND I'M BROKE BECAUSE OF IT.”

““

PUBLIC TRANSIT IS NON-EXISTENT AS FAR AS GETTING TO ANOTHER COMMUNITY FOR EMPLOYMENT.”

““

WE NEED TO BE SURE THERE ARE EMPLOYMENT OPPORTUNITIES BEFORE INCREASING DENSITY AND LOW-INCOME HOUSING.”

HOUSEHOLD INCOME

Median annual household income in both BC and the CVRD increased from 2006 to 2016, with the region remaining slightly less affluent than the province throughout this period (BC's median income rose from \$62,000 to \$70,000 and the CVRD's rose from \$60,000 to \$65,000). The gap between the region's median income and BC's median income has increased: BC was about \$2,000 per year per household more affluent than the CVRD in 2006, and in 2016 it was about \$5,000 per year per household more affluent.

Within the CVRD:

- Duncan is distinctly the least affluent jurisdiction, with the median household income remaining below \$40,000 during this period
- Lake Cowichan and electoral area I form the next tier, both with median incomes in the low-to-mid \$50,000s in both 2006 and 2016
- Jurisdictions with middling median household incomes close to the regional median include North Cowichan, Ladysmith and electoral area F
- Particularly affluent jurisdictions (above \$70,000 per year) include electoral areas A, B, C, D and E
- Electoral area G exhibited a great deal of income mobility during this period and shifted from the middling group of jurisdictions in 2006 to the particularly affluent group of jurisdictions in 2016

Note that many jurisdictions exhibited “u-shaped” trends, with income either decreasing from 2006 to 2011 and then increasing again from

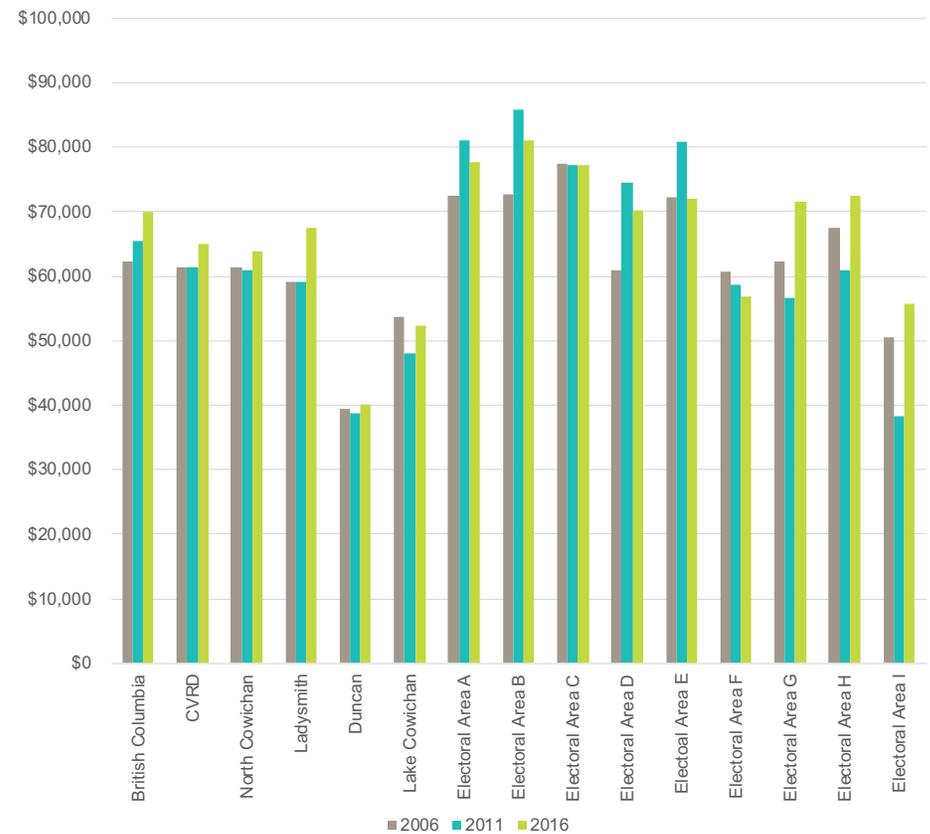


Figure 10: Median annual household income by jurisdiction from 2006–2016.

See Appendix I Tables 14–16 Shares of households by annual income in 2006, 2011 and 2016.

2011 to 2016, or vice versa. This may be a result of the 2008 financial crisis and consequent recession. Jurisdictions that decreased and then increased include Lake Cowichan, electoral area G and electoral area H. Jurisdictions that increased and then decreased include electoral areas A, B, D and E. It may be significant that it is the more affluent communities that did better during the post-crisis recession and the less affluent communities that did worse.

The value of money tends to decrease over time (inflation), so that it takes more units of currency (nominal income) to achieve the same lifestyle

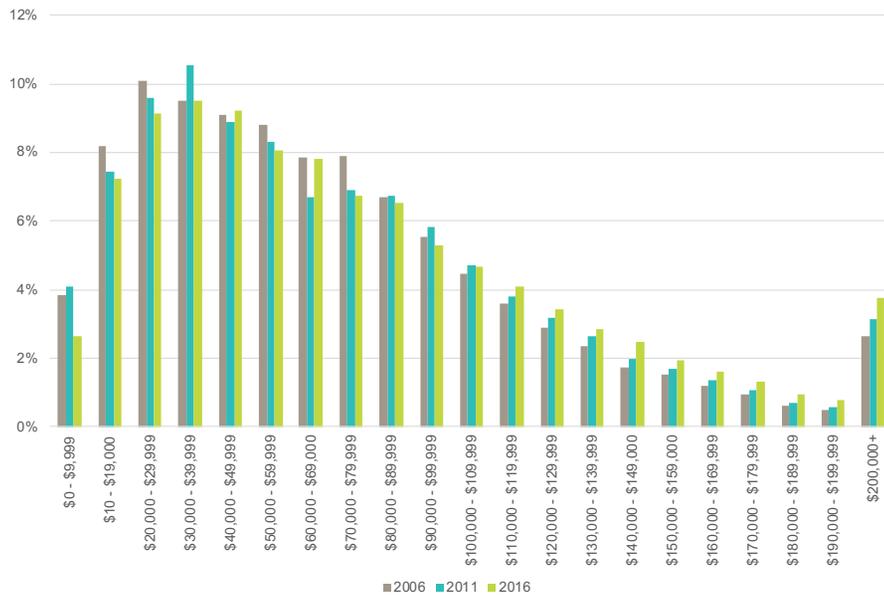


Figure 11: Share of households by income in the CVRD³.

See Appendix I Figure 2: Share of households by income in BC.

(real income). Shifts in real income may be estimated by removing the impact of inflation, creating a more accurate sense of where income has effectively increased and where it has not.

Table 17 and Figure 1 in Appendix I show that after inflation is removed from the analysis, median household incomes in BC show no change between 2006 and 2016, and the CVRD shows a downward trend. Both BC and the CVRD show less household income in 2011 than in 2006 or 2016, which might reflect the recession.

See Appendix I Table 17 and Figure 1: Median real annual household income (constant 2019 dollars).

Jurisdictions whose median real incomes decreased over the course of this decade include North Cowichan, Duncan, Lake Cowichan and electoral areas A, C, E, F, H and J. Jurisdictions whose median real incomes were about the same in 2006 and 2016 include Ladysmith and electoral areas B, D and I.

The only jurisdiction to improve its median real household income during this period was electoral area G.

Returning to nominal income (inflation is included rather than removed), Figure 11 shows the income distribution for the CVRD.

In both BC and the CVRD in 2016, the largest household income group

(in statistical parlance, the mode) earned \$30,000–\$39,999 per year. However, the income group was larger in the CVRD (9.5%) than in BC (8.3%) with groups at the extremes (specifically those earning less than \$10,000 per year or more than \$120,000 per year) making up a smaller share of the region’s population than the province’s. This suggests that, overall, income inequality in the BC is more extreme than income inequality in the region.

INCOME AMONG OWNER HOUSEHOLDS

Compared to all households, households that own their homes are wealthier. The broad differences in wealth between jurisdictions is approximately the same as those who rent their homes.

See Appendix I Tables 18–20: Share of owner households by annual income 2006, 2011 and 2016 and Figure 3: Median annual household income among owner households.

In BC, the most common income bracket (the mode) for owner households is \$40,000–\$49,999, about \$10,000 higher than the mode for all households. Compared to all households, the distribution of owner households is flatter because it is somewhat shifted to the upper end, meaning that fewer owner households occupy the lower end of the income spectrum and more occupy the higher end. This is particularly striking in the case of the highest income category—\$200,000 or more per year (including renters).

The distribution of owner households by income in the CVRD is more complicated: it exhibits a slightly bimodal distribution, meaning that there are two income groups (rather than just one) that are larger than the income groups to either side of them on the income spectrum, which therefore produces two “bumps” on the graph in Appendix I Figure 3. The location on the spectrum of these two bumps has also changed over time:

- In 2006 the two dominant income groups for owner households in the CVRD were \$50,000–\$59,999 and \$70,000–\$79,999.
- In 2011 (during the recession), the two dominant income groups were \$30,000–\$39,999 and \$70,000–\$79,999, with noticeably fewer people in the \$60,000–\$69,999 group. This shift may indicate that some—but not all—owner households were negatively impacted by the recession.
- In 2016 the \$30,000–\$39,999 and \$40,000–\$49,999 income groups each contain the same number of households, so together they constitute the most dominant income groups, but there is also a secondary peak at \$80,000–\$89,999.

Why the distribution of owner households by income in the CVRD tends to be bimodal is unclear. One possibility is that each “bump” reflects a different housing type, for example single-detached homes versus townhomes.

See Appendix 1 Figure 4: Share of owner households by income in BC and Figure 5 Share of owner households by income in the CVRD.

INCOME AMONG RENTER HOUSEHOLDS

Compared to all households, households that rent their homes are less wealthy than those who own their homes. The broad differences in wealth between jurisdictions is approximately the same.

See Appendix I Figure 6: Median annual household income among renter households from 2006–2016, Figure 7: Share of renter households by income in BC, Figure 8: Share of renter households by income in the CVRD and Figure 9: Median income in 2016 by household tenure. See Appendix I Tables 21–23: Share of renter households by annual income in 2006, 2011, 2016

Compared to renters in BC, renters in the CVRD are less affluent and by a larger margin than all households. CVRD renters have a median household income of approximately \$38,000 compared to \$46,000 for BC renters—a \$8,000 difference, compared to a \$5,000 difference across all households. Within the CVRD:

- Median household income in Duncan has been much lower than in the electoral areas and slightly lower than in the other CVRD municipalities.
- Median renter incomes in electoral area C were particularly high compared to elsewhere in the region in 2006 and 2011, but by 2016 had fallen to a more regionally normal level.

The income distributions of renter households in the CVRD follow similar distributions to the other income distributions presented so far, except even more skewed to the lower-income direction, and therefore even

more concentrated within a narrower range of income at the low end. There are relatively few renter households in BC with less than \$10,000 income (about 7% in 2016), but the \$10,000—\$19,999 group is the largest group (about 14%), with each subsequent group above that making up a smaller share of the rental population. By comparison, renter households in the CVRD are somewhat less affluent on average than in BC, and exhibit less income diversity both at the high and low ends of the income spectrum



INCOME INEQUALITY

Figure 12 compares the median household incomes of owner and renter households in each jurisdiction in 2016. The darker green (middle) bar shows the ratio of owner to renter income, which is a rough indicator of the degree of income inequality between these two groups: a higher bar indicates more inequality.

By this measure, the CVRD exhibits slightly more inequality between tenure groups than BC in general. Within the CVRD, the jurisdictions with less income equality are electoral areas A, B and H, and the jurisdictions with the most income inequality are Duncan and electoral areas F, G and I.

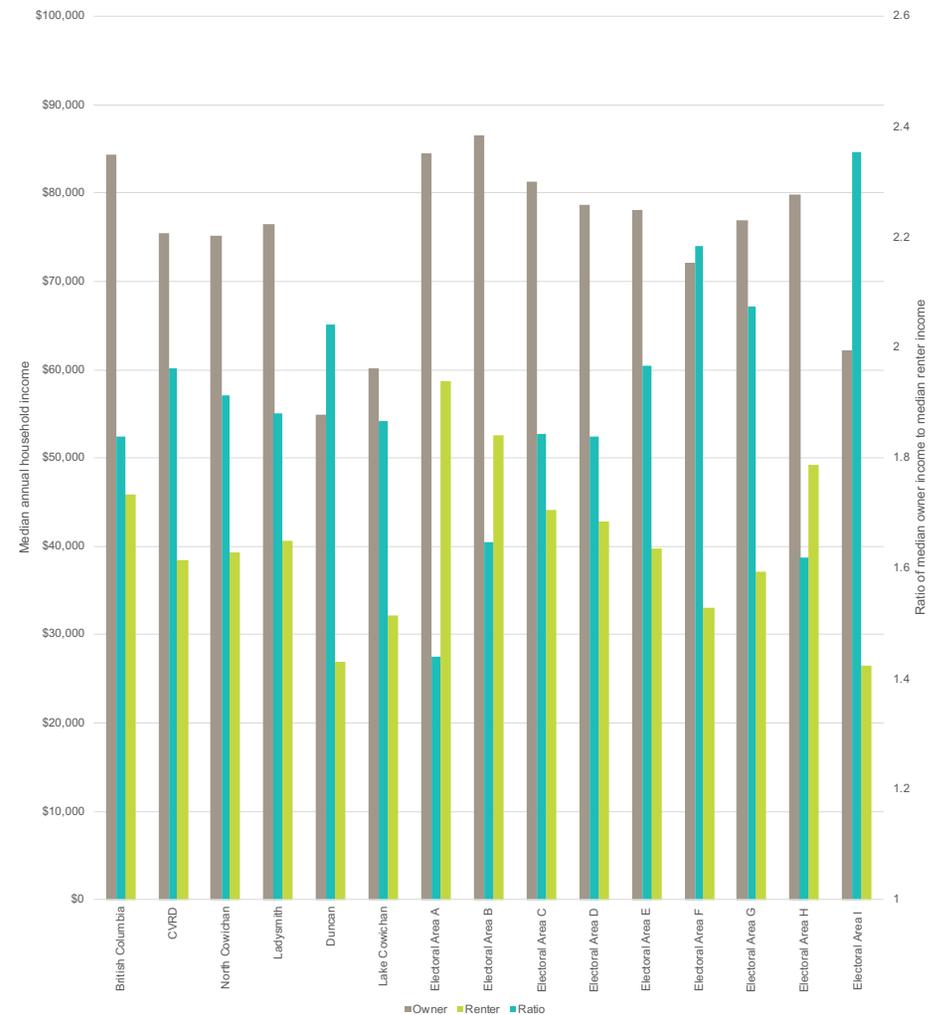


Figure 12: Median income in 2016 by household tenure.

EMPLOYMENT

Participation in the labour force during this decade was generally higher in BC than in the CVRD and declined (from 66% to 64% in BC and from 60% to 57% in the CVRD) (see Figure 13). Within the CVRD:

- Duncan and electoral areas C, G and H had the lowest participation rates (around 50%), particularly electoral area G in 2016 and electoral area I in 2011
- Jurisdictions with middling participation rates I (60%) included North Cowichan, Ladysmith and electoral areas A, D and H. Note that electoral area A is the only jurisdiction whose participation rate increased during this period
- Electoral areas B and E had the highest participation rates (70%)
- Lake Cowichan and electoral area I had particularly low participation rates in 2011 but not in 2006 or 2016, possibly indicating particularly extreme impacts from the recession
- Electoral area F had a particularly high participation rate in 2011 but not in 2006 or 2016.
- The unemployment rate (reflective of those seeking employment but unable to find it) generally increased during this decade but was highest during the recession in 2011 (see Figure 18). 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%).
- Unemployment has generally been highest in Duncan (particularly in 2011 at 10%), Lake Cowichan (particularly in 2006 at 13% and 2016 at 12%) and electoral area I (particularly in 2011 at 17%)

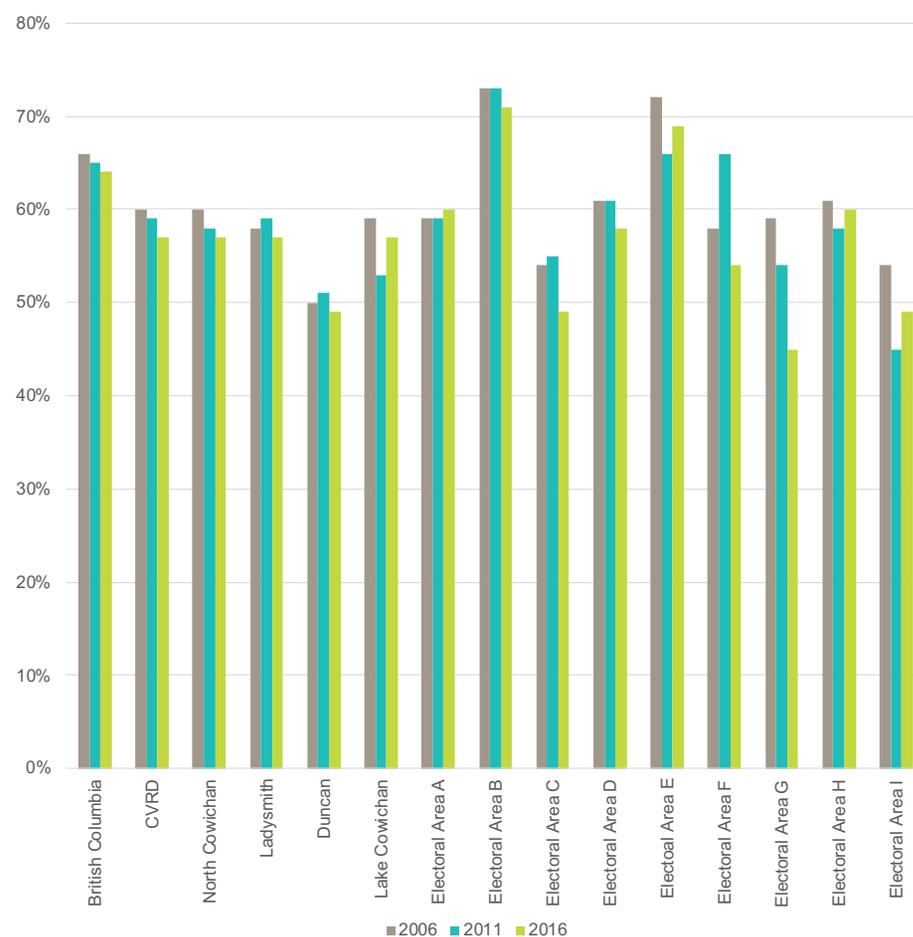


Figure 13: Participation rate from 2006–2016.

- Unemployment has generally been lowest in Ladysmith and electoral areas A and B
- Electoral areas G and H exhibited very low unemployment (5%) until 2016 when unemployment increased to match or exceed the regional rate.

See Appendix I Table 24: Labour force from 2006–2016, Table 25: Participation rate from 2006–2016 and Table 26: Unemployment rate from 2006–2016.

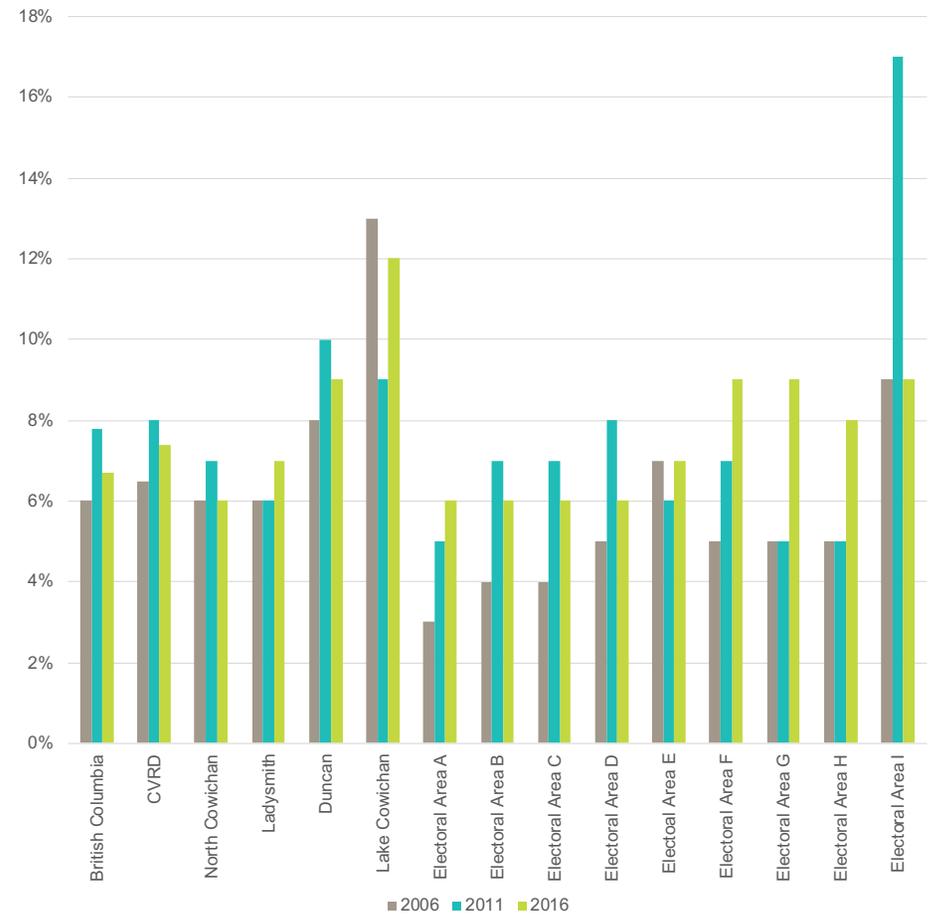


Figure 14: Unemployment rate from 2006–2016.

INDUSTRY

From 2006 to 2016, in BC:

Retail trade has remained the largest sector by employment, holding steady at about 11% of all workers. Healthcare and social assistance has remained the second largest sector by employment and has increased its share of workers from 10% to 11% due to the growing seniors population. If observed trends continue, healthcare and social assistance is expected to become the province's dominant sector by the 2021 Census.

These sectors achieved a three-way tie for third place in 2016, and each made up about 8% of the labour force throughout this period:

- Accommodation and food services
- Construction
- Professional, scientific and technical services

Education services retained about 7% of the labour force throughout this period. The manufacturing sector was the third-largest sector in 2006 (9% of the labour force) but during this decade fell to seventh place (6% of the labour force), in line with trends throughout North America

Each of these categories retained about 5% of the labour force in 2006 and 2016:

- Transportation and warehousing
- Public administration
- Other services

The remaining 25% of the labour force consists of (in descending order of size in 2016):

- Administrative support
- Waste management
- Remediation services
- Finance and insurance
- Wholesale trade
- Information and cultural services
- Agriculture, forestry, fishing and hunting
- Arts, entertainment and recreation
- Real estate, rental and leasing
- Mining, quarrying and oil & gas
- Utilities
- Management sectors



Each of these sectors makes up a steady 0%–4% of the labour force except for wholesale trade, which decreased from 4% of the labour force in 2006 to 3% in 2016. However, with the impact of the COVID-19 pandemic, this downward trend is expected to reverse.

The industry sector composition of the CVRD's labour force is similar to that of BC, with the following exceptions:

- Retail makes up an even larger share of the labour force, at a steady 13%
- Healthcare and social assistance also make up a larger share of the labour force, growing from 11% to 12% during this decade. This is intuitive since the CVRD has a proportionally larger seniors' population than BC. As in the province, this sector may be expected to surpass retail as the highest-employment sector in the region by the 2021 Census
- The construction sector is slightly more prominent in the CVRD than in BC generally, and has cemented its third-place position by increasing its total labour force share from 9% to 10% during this decade
- Public administration makes up a larger share of the CVRD's labour force (7% or 8% during the recession) than BC's labour force, and in 2016 achieved a roughly four-way tie for fourth place alongside accommodation and food services, manufacturing and educational services
- Professional, scientific and technical services retained less of the CVRD's labour force than BC's, but as in the province, this sector is growing regionally and the gap between the province and the region is narrowing: it grew from 7% to 8% of the provincial labour force and from 4% to 6% of the regional labour force

- Agriculture, forestry, fishing and hunting makes up a larger share of the regional labour force (falling from 6% to 5%) than the provincial labour force (3%)

Of the smaller sectors that collectively make up only 15% of the regional workforce, notable departures from provincial trends include:

- Transportation and warehousing, which makes up 5% of BC but only 4% of the CVRD
- Wholesale and retail, which makes up 3% of BC but only 2% of the CVRD
- Information and cultural services, which makes up 3% of BC but only 1% of the CVRD.

Within the CVRD, the labour force is somewhat geographically clustered. Note that this refers to the residential locations of workers in these sectors rather than where this employment takes place:

- Retail workers are particularly clustered in Duncan and electoral area I. There are notably few of these workers in electoral areas F, G and H
- Healthcare and social assistance workers are particularly clustered in electoral area C. There are notably few of these workers in Lake Cowichan and electoral area F
- Construction workers are particularly clustered in electoral area B. There are notably few of these workers in Ladysmith

- Manufacturing workers are particularly clustered in electoral area F
- Education workers are particularly clustered in electoral areas A and D. There are notably few of these workers in Lake Cowichan and electoral area F
- Public administration workers are particularly clustered in electoral area A. There are notably few of these workers in Duncan and electoral area G
- Professional, scientific and technical workers are particularly clustered in electoral area G
- Agriculture, forestry, fishing and hunting workers are particularly clustered in electoral areas E, F, H and I. There are notably few of these workers in Duncan and electoral area A
- Administrative, support, waste management and remediation services are notably absent from electoral area G
- Management workers are particularly clustered in electoral area I.

See Appendix I Tables 27–29: Share of labour force by industry sector (2006, 2011, 2016).

See Appendix I Figure 10: Share of labour force by industry sector in BC over time from 2006–2016 and Figure 11: Share of labour force by industry sector in the CVRD over time from 2006–2016.



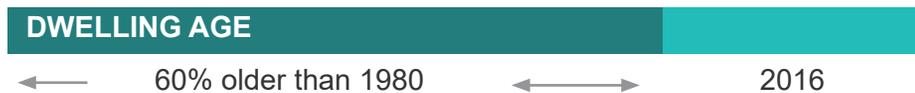
HOUSING PROFILE

The following section provides an overview of historic and current Duncan housing data from the Statistics Canada Census, BC Housing and BC Assessment.

DENSITY: The CVRD has a much lower-density housing composition than BC, with single-detached dwellings making up a larger share and apartments making up a smaller share.

OWNERSHIP: For market ownership housing, single-detached homes have been the most desirable and expensive form of housing, followed by townhomes, then apartments and duplexes, and finally manufactured homes.

AGE: In the CVRD, about 60% of dwellings were built before 1990, which is similar to the distribution of dwellings by age of BC.



BEDROOM COUNT: Compared to BC, the CVRD has a much higher share of three-bedroom units (39%) and a much lower share of one-bedroom units (9%) but similar shares of two-bedroom and four-or-more-bedroom units.

RENTALS: The Canadian Rental Housing Index identifies 7,575 units across the CVRD. The most common is two-bedrooms (36%) followed by one-bedroom (28%), then three-bedrooms (24%).

SUPPORT: Across the CVRD and the Cowichan First Nation, there are 94 units in the emergency shelter and housing for the homeless category, 175 units in the transitional supported and assisted living category and 409 units in the independent social housing category, for a total of 678 non-market units. Across the CVRD as a whole, average rental rates (\$940) tends to be lower than North Cowichan and Ladysmith (\$950) but higher than Duncan (\$830).



COMMUNITY PERSPECTIVES

HOUSING SIZES ARE UNSUITABLE FOR RESIDENT NEEDS.

Community members highlighted a lack of suitable dwelling sizes to meet their needs. Many seniors indicated that their current homes were too large and required more maintenance than they could physically or financially carry out. Young families raised concerns around lack of space for children, and First Nations' families in particular were challenged to



ALTHOUGH MY CURRENT HOME DOES MEET MY NEEDS, I AM CONCERNED ABOUT WHEN I GET CLOSER TO RETIREMENT AND HAVE THE NEED TO DOWNSIZE. THERE ARE VERY FEW AFFORDABLE OPTIONS AVAILABLE IN MY AREA.



OUR HOME IS LARGER THAN WE NEED. IT'S ALSO AN OLDER HOME THAT REQUIRES REPAIR AND LOTS OF MAINTENANCE.



IT'S TIGHT WITH THREE KIDS LIVING IN A TWO BEDROOM. WE SPEND A LOT OF TIME DRIVING KIDS TO/FROM TOWN.

CURRENT HOUSING OPTIONS ARE NOT ADEQUATELY SIZED OR CULTURALLY APPROPRIATE FOR FIRST NATIONS.

First Nations housing staff spoke to the need for larger single-family homes to house large, multi-generational families and indicated that overcrowding in housing units was often a challenge. This issue is compounded as youth return home due to precarious housing situations and as suitable rental units are scarce. Smaller units are also needed for Elders and singles. Current housing may not be safe or suitable, and many key stakeholders expressed concerns with rising construction costs and dwindling land availability as a barrier to new, more suitable Indigenous development.



ANOTHER FAMILY IN VICTORIA (A FAMILY OF 10) WAS EVICTED BECAUSE THEY WERE SKINNING DEER MEAT IN THEIR BASEMENT. THEY HAD A VERY TOUGH TIME FINDING ONE RENTAL UNIT. THE FRIENDSHIP CENTRE WAS HELPING THEM AND WAS LOOKING FROM VICTORIA TO NANAIMO BUT DIDN'T FIND A SINGLE PLACE TO RENT.



WE [FIRST NATIONS] FOLLOW NATIONAL OCCUPANCY STANDARDS. THAT MAKES IT DIFFICULT BECAUSE WE HAVE A FAMILY WITH A SINGLE MOM WHO NEEDS A FIVE-BEDROOM HOUSE BUT CAN'T AFFORD IT FOR HER AND HER KIDS.

DWELLING TYPES

From 2006 to 2016, the number of occupied dwellings in British Columbia grew from 1.6 million to 1.9 million, an increase of 15%. By comparison, the number of occupied dwellings in the CVRD grew more slowly, from 31,000 to 35,000 for a total of 13% growth during this decade.

Within the CVRD, jurisdictions with particularly rapid housing development included Ladysmith, Lake Cowichan and electoral areas A, B and D. Duncan and electoral area F both decreased slightly in occupied dwellings during this period, although in both cases this decline took place entirely in the 2006 to 2011 period; between 2011 and 2016 none of the region's 13 jurisdictions decreased in housing supply.

This may be due to a decreasing population resulting in a higher vacancy rate. These trends are all similar to trends in population, except that household sizes in BC and the CVRD are decreasing, so the number of occupied dwellings has increased faster than the population.

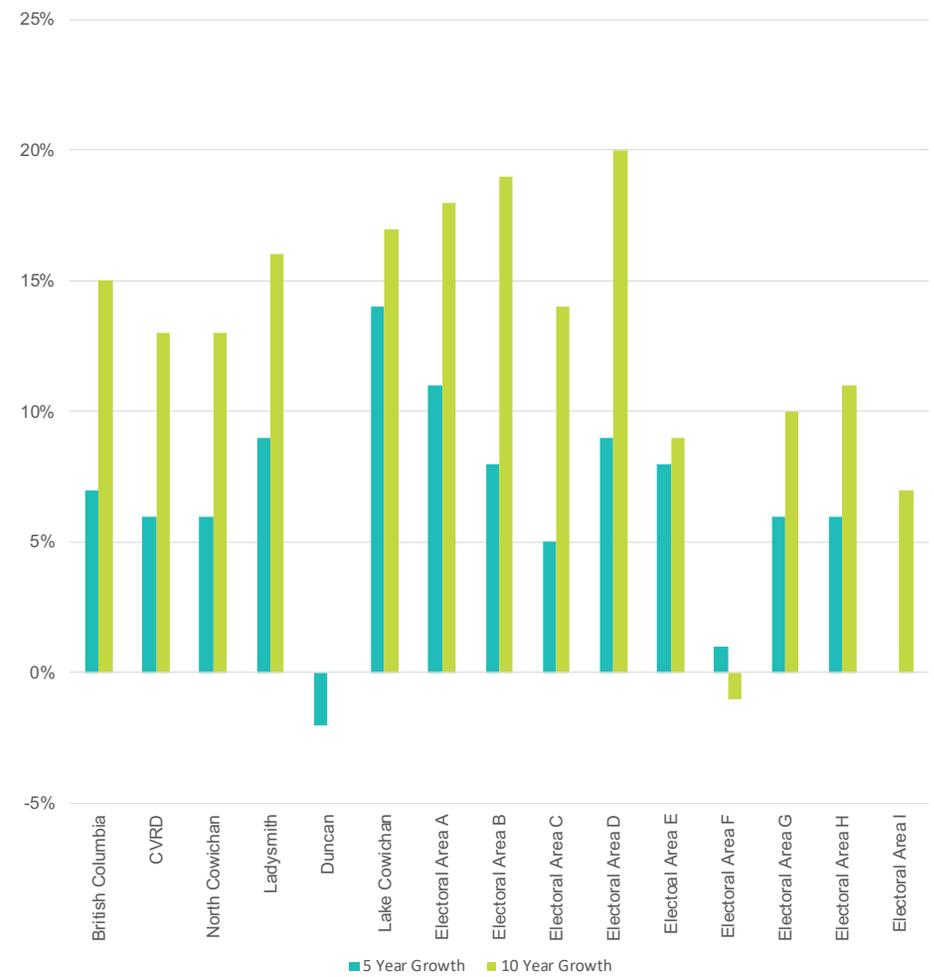


Figure 15: Five-year and ten-year housing supply change by jurisdiction.

In British Columbia:

- In 2006, almost half (49%) of BC's housing stock was single-detached homes. This share decreased slightly by 2011 to 48%, and then decreased significantly by 2016, to 44%
- During the same ten-year period, ground-oriented multi-unit homes increased its share slightly (10% to 11%)
- Apartments in duplexes increased their share moderately (10% to 12%)
- Apartments in buildings with five or more storeys increased their share significantly (7% to 9%)
- Apartments in buildings of 1–4 storeys decreased their share slightly (from 21% to 20%)
- Movable dwellings maintained their share of 3%

The CVRD has a much lower-density housing composition than BC:

- Single-detached homes make up about three quarters of the housing supply and did not significantly decrease their share during this decade (74% in 2006, 76% in 2011, 73% in 2016)
- Ground-oriented multi-unit homes are a slightly smaller component of the housing supply (a steady 9% rather than BC's 10%–11%)
- Apartments in duplexes make up a much smaller share of the region's housing supply (2%–3% rather than BC's 10%–12%)
- Apartments in buildings of 1–4 storeys are about half as prominent and are decreasing in share (from 10% to 9% compared with 21% to 20% in BC)

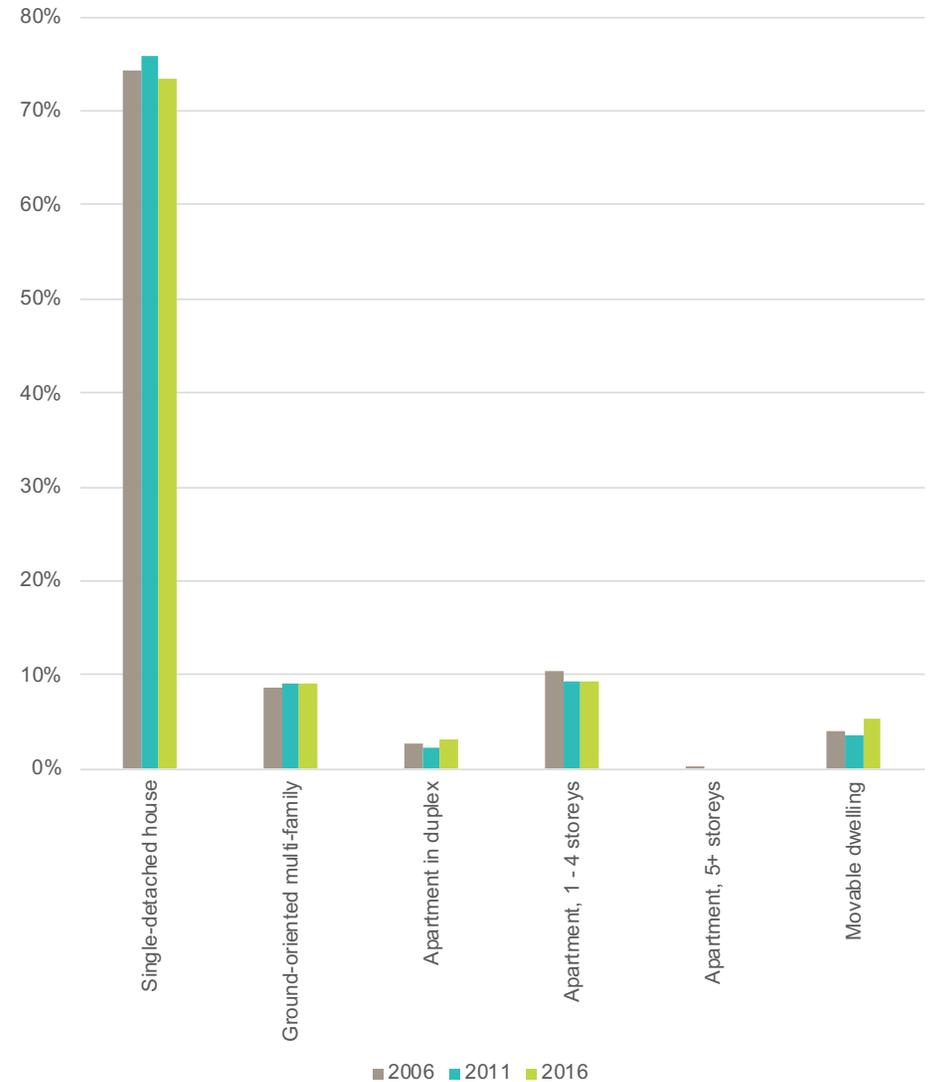


Figure 16: Housing units by type in the CVRD between 2006 and 2016.

- By comparison, moveable dwellings make up a larger and growing share (from 4% to 5% rather than BC's 3%)
- There are no apartment buildings of five or more storeys in the CVRD.

Within the CVRD, the four municipalities have a greater share of ground-oriented multi-unit homes than the electoral areas, particularly North Cowichan (15%). They also have a greater share of apartments in apartment buildings, particularly Duncan. In fact, Duncan is the only jurisdiction in the CVRD in which apartments outnumber single-detached homes. Movable dwellings tend to be more predominant in the electoral areas than in the municipalities, particularly in electoral areas A, B and D.

See Appendix I Tables 30–32: Share of total units by housing by type 2006, 2011, 2016 and Figure 12: Housing units by type between 2006 and 2016 in BC and Figure 13: Composition of housing stock by type and jurisdiction in 2016.



DWELLING AGE

In 2016, BC and the CVRD had similar distributions of dwellings by age, with dwellings in the CVRD being only slightly older—about 60% of dwellings were built before 1990.

Within the CVRD:

- North Cowichan and electoral area E match the regional and provincial trend quite closely
- Ladysmith, Duncan, Lake Cowichan and electoral areas F and I have more older units, with dwellings older than 1961 making up 24%–35% of the housing stock
- Electoral area D has very few units in the oldest category (1961 or

older) but a large share of units in the 1961–1980 category (39%) as well as the youngest category of 2011–2016 (10%)

- Electoral areas B, C and H have a disproportionate number of units in the 1981–1990 category (about 20%)
- Electoral area C has a disproportionate number of units in the 1991–2000 category (30%)
- Electoral area A has a disproportionate number of units in the 2001–2005 category (10%)

See Appendix I Figure 14: Share of dwellings by year of construction in 2016 and Figure 15: Composition of housing stock by age of construction and jurisdiction in 2016.

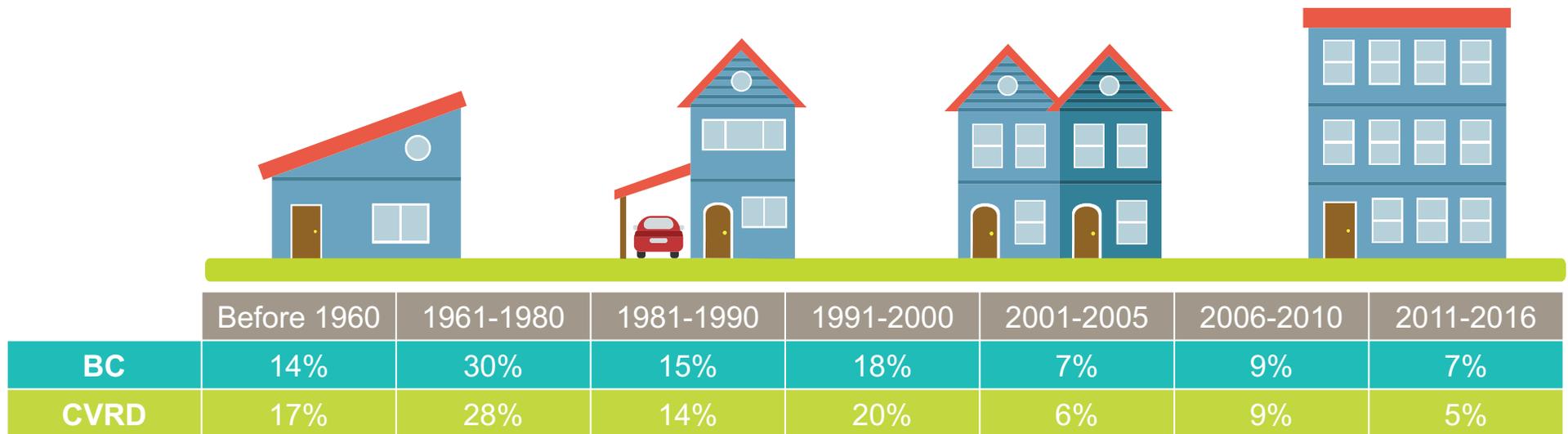


Table 1: Distribution of dwellings by age.

BEDROOM NUMBER

In BC in 2006, the most common number of bedrooms for a dwelling was three (29% of dwellings), followed by two bedrooms (26%) and four or more bedrooms (25%). Far fewer dwellings had only one bedroom (16%) and even fewer had no bedrooms (studio apartments) (4%). In the following decade, the composition shifted slightly: three-bedroom units decreased in share from 29% to 27% while one-bedroom units, two-bedroom units and four-or-more-bedroom units all increased (16% to 17%, 26% to 27%, and 25% to 28%, respectively). Studio units all but vanished, decreasing from 4% to 1%.

Compared to BC, the CVRD has a much higher share of three-bedroom units (39%) and a much lower share of one-bedroom units (9%) but similar shares of two-bedroom and four-or-more-bedroom units. Studio units make up a negligible share. It might be said that the CVRD has a narrower range of home sizes available than BC in general.

Within the CVRD, Duncan has a significantly higher share of one-bedroom and three-bedroom units than other jurisdictions. This is intuitive as Duncan has a higher share of multi-unit buildings than the rest of the CVRD. Electoral area F also has a disproportionate number of one-bedroom units, while electoral area C has a disproportionate number of two-bedroom units. Electoral area I has a disproportionate number of studio apartments. Lake Cowichan and electoral area E have a slightly greater share of units with four-or-more-bedrooms than other jurisdictions.

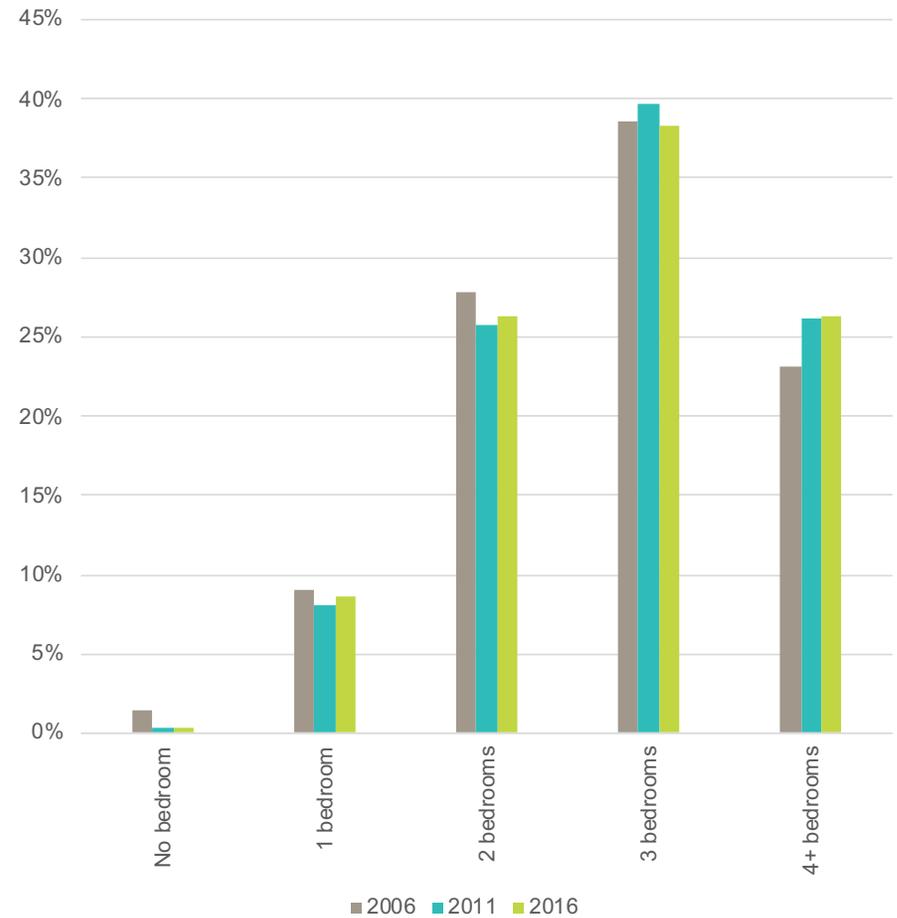


Figure 17: Share of housing unit by bedroom count in the CVRD from 2006 to 2016.

See Appendix I Table 33–35 Share of housing units by bedroom count in 2006, 2011 and 2016, Figures 16–17 Share of housing units by bedroom count over time in BC and CVRD from 2006–2016 and Figure 18: Composition of housing stock by room count and jurisdiction in 2016.

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.

These four categories form a rough housing continuum such that the categories become less intensive and have more units. Within these four categories there are also ten low-level categories having to do with the justification for funding rather than the degree of funding (for example, families versus seniors). Seniors make up the largest funding group in the three largest high-level categories and therefore receive the most BC Housing support in the CVRD.

See Table 36: Number of units under BC Housing Administration by Service Allocation Group in 2020.

Across the CVRD and the Cowichan First Nation, there are 94 units in the emergency shelter and housing for the homeless category, 175 units in the transitional supported and assisted living category and 409 units in the independent social housing category, for a total of 678 non-market units. North Cowichan (with 251 units) and Duncan (with 284 units) contain the largest shares of BC Housing units in the region, which is intuitive since they are the largest and less affluent jurisdictions, respectively.

In the emergency shelter and housing for the homeless category, there are 24 homeless people housed in North Cowichan, 55 homeless people receiving rent supplements in Duncan and 15 homeless shelter beds in North Cowichan.

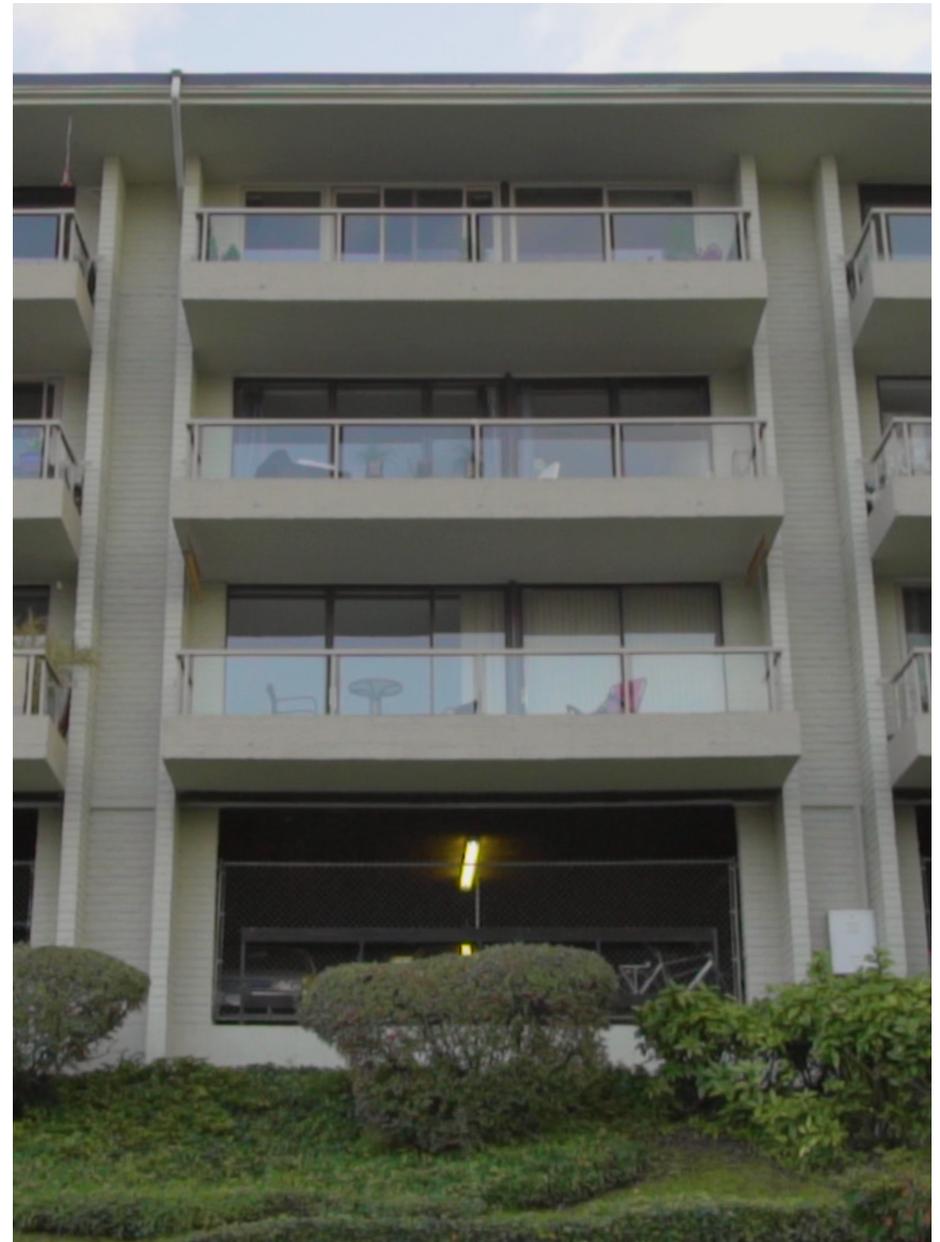
Emergency Shelter & Housing for the Homeless			Transitional Supported & Assisted Living			Independent Social Housing		Rent Assistance in Private Market	
Homeless Housed	Homeless Rent Supplements	Homeless Shelters	Frail Seniors	Special Needs	Woman and Children Fleeing Violence	Low Income Families	Low Income Seniors	Rent Assistance for Families	Rent Assistance for Seniors

Figure 18: BC Housing breakdown of types of housing support.

Transitional supported and assisted living facilities are present in the three largest municipalities (Duncan, Ladysmith and North Cowichan), particularly oriented towards units for those with special needs in North Cowichan (38 units out of 47) and supportive seniors housing in Ladysmith (27 out of 27 units). Duncan is the only jurisdiction with units for women and children fleeing violence (10 units). The Cowichan First Nation has the largest facility for frail seniors (50 units).

Independent social housing is found in the four municipalities, particularly oriented towards families in North Cowichan (100 units) and seniors in Duncan (150 units).

There are 654 households receiving rent assistance in the private market in the CVRD, which is distributed evenly throughout the region, with a focus on North Cowichan and Duncan.



MARKET RENTAL HOUSING

The Canadian Rental Housing Index identifies some additional rental market characteristics for 2016 not present in the census data already investigated. However, this data is only available for North Cowichan, Ladysmith, Duncan and the region as a whole; it is not available for Lake Cowichan or the nine electoral areas.

The Canadian Rental Housing Index identifies 7,575 units across the CVRD. The most common number of bedrooms for a rental unit in the CVRD is two bedrooms (36%) followed by one bedroom (28%), then three bedrooms (24%) with relatively few studio rentals (1%) or four-bedroom rentals (8%). Within this overall trend, four-bedroom rentals are more prominent in North Cowichan, three-bedroom rentals are more prominent in Ladysmith (30%) and one- and two-bedroom rentals are more prominent in Duncan (40% and 42%, respectively).

See Appendix I Tables 37–40 Households by renter household income quartile and bedrooms in the CVRD, North Cowichan, Ladysmith and Duncan in 2016.

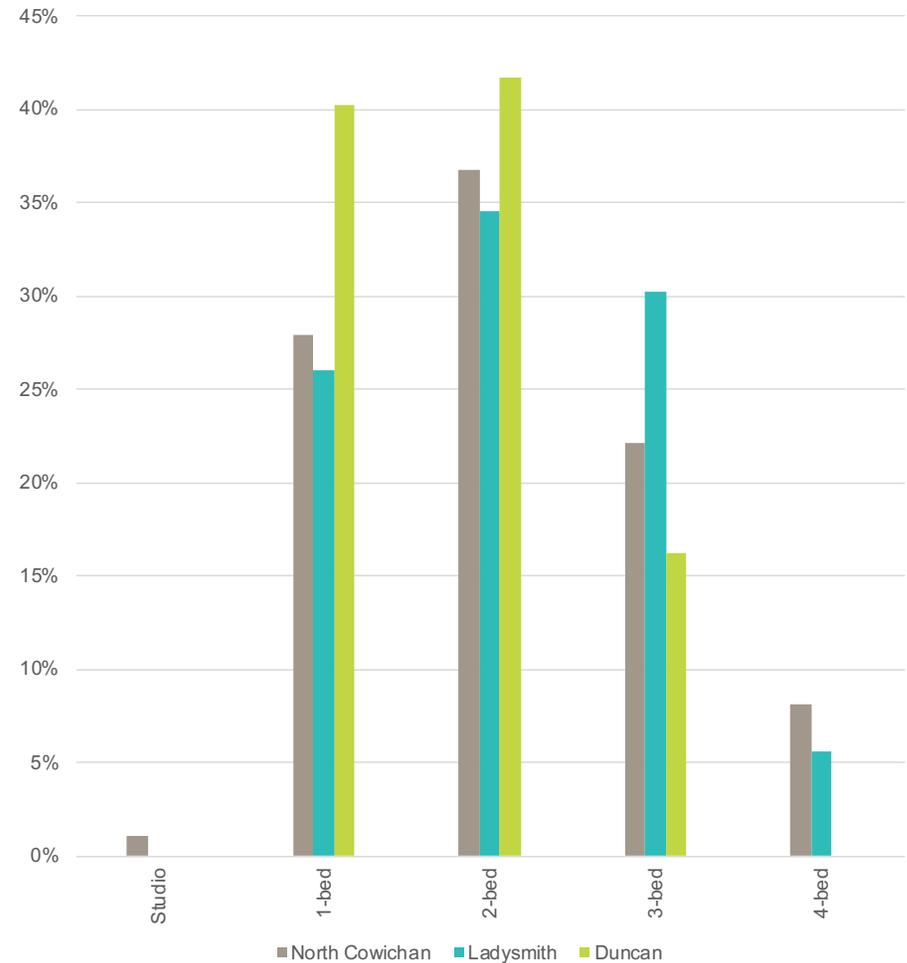


Figure 19: Share of rental units by bedroom count.

Across the CVRD, rental rates on average (\$940 across all unit sizes) tends to be lower than in North Cowichan (\$952) and Ladysmith (\$950) but higher than in Duncan (\$830).

North Cowichan and Ladysmith have about the same rental rates on average, but this is achieved differently in each municipality: one-bedroom apartments are more expensive in North Cowichan and two- to four-bedroom units are more expensive in Ladysmith. Rental rates in Duncan are generally lower (\$830), perhaps because of greater supply (Duncan is predominantly rental).

See Appendix I Tables 41–44: Average rent by renter household income quartile and bedrooms in the CVRD, North Cowichan, Ladysmith and Duncan in 2016.

Among renters throughout the CVRD, lower-income households spend a greater share of their income on rent and utilities. For a given income group, renting a larger dwelling creates greater financial strain, increasing the share of income required, which is intuitive.

Across the CVRD, this means that renters in the lowest income quartile (with an income up to \$21,197) are spending 52% of their income on rent and utilities for a one-bedroom, 64% of their income for a two-bedroom, 99% of their income for a three-bedroom and 85% of their income for a four-bedroom.

See Appendix I Table 45–48: Share of income spent on rent and utilities in the CVRD, North Cowichan, Ladysmith and Duncan in 2016.

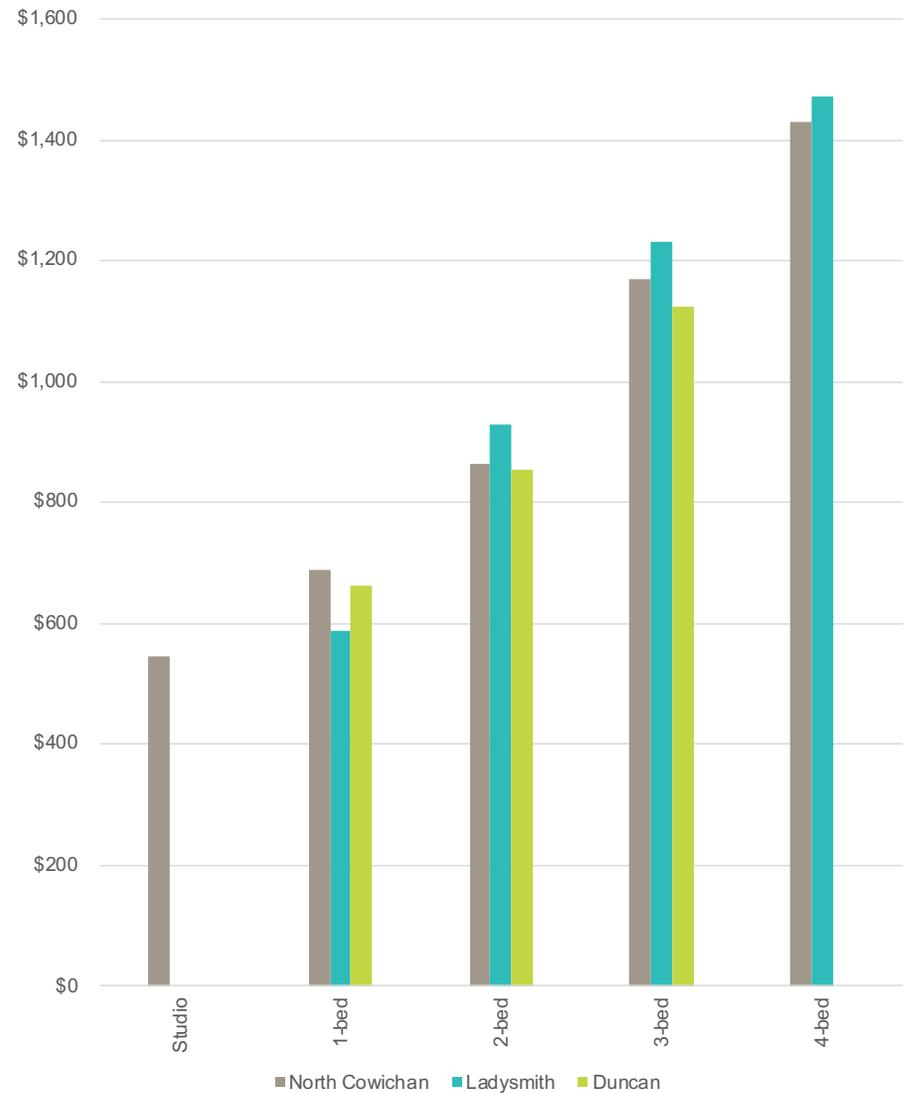


Figure 20: Average rent plus utilities by jurisdiction and bedroom count.

MARKET OWNERSHIP HOUSING

The property assessment rolls were analyzed for each of the CVRD’s 13 jurisdictions from 2007–2019. Property assessment data relates directly to housing affordability for owner-occupant households but does not directly reflect housing affordability for renter households. This is because property values are the main cost factor for owner-occupants whereas rent is the main cost factor for renters. As such, the properties reported specifically exclude purpose-built rental buildings and focus instead on single-detached homes, manufactured homes, duplexes and stratified multi-family. Note that these properties could still be occupied by renters through the secondary market.

From 2007–2019, the average values of different residential property types in the CVRD have fluctuated in sync, reflecting market forces that impact the property market as a whole, most notably:

- The local employment economy
- Demand spillover from other regions such as the Capital Regional District (CRD) and Metro Vancouver
- Land supply constraints, such as zoning and servicing catchments
- Investor and developer attitudes

Throughout this time period, single-detached homes have been the most desirable and expensive form of housing (\$350,000–\$550,000) and manufactured homes have been the least expensive (\$100,000–\$200,000), with various types of multi-family housing forming an intermediate group (\$200,000–\$300,000). Of these, duplex units and

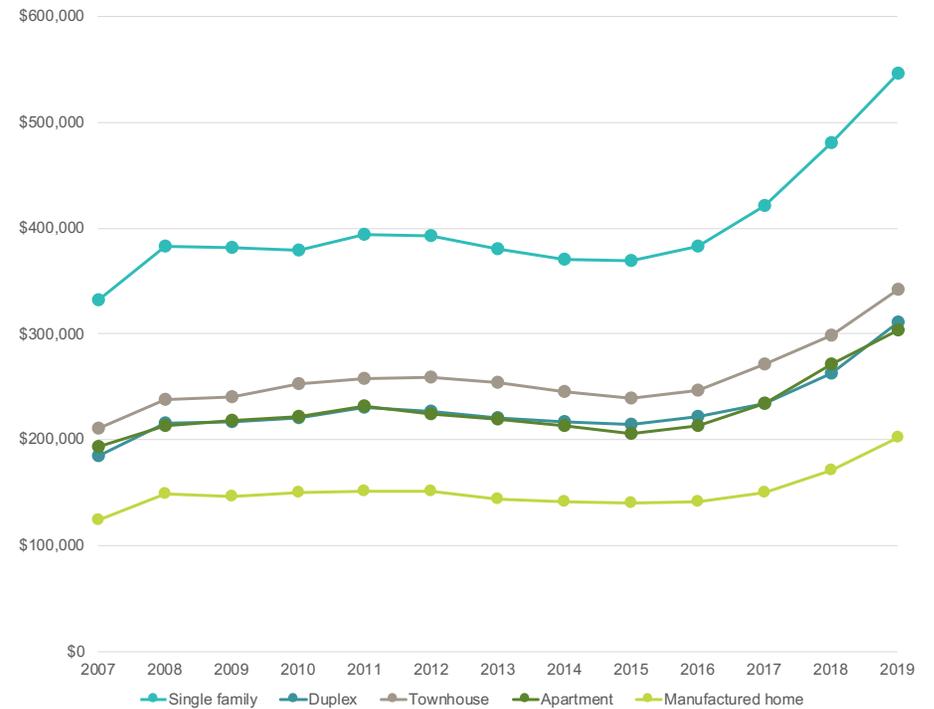


Figure 21: Average value per dwelling other than purpose-built rental by type in the CVRD from 2007–2019.

apartment units have maintained price parity while townhouses have remained slightly more valuable.

See Appendix I Tables 49-53: Average value per single-family home, duplex unit, townhouse, apartment and manufactured home, by jurisdiction from 2007–2019 and Figures 19–23: Average value per single-family home, duplex unit, townhouse, apartment and manufactured home, by jurisdiction from 2007–2019.

The market saw price growth between 2007 and 2008, but prices remained stable from 2008–2016 as Vancouver Island’s economy gradually recovered from the financial crisis of 2008. This eight-year period of price stability represents a period of increasing affordability for CVRD residents and prospective residents and suggests that within the region as a whole, the supply of available land was adequate to meet residential demand. From 2016 to 2019, prices increased considerably each year. This is beneficial to homeowner households but detrimental to aspiring homeowners and suggests that since 2016 the region’s supply of available land has been insufficient to meet growing demand.

Interviews were held with 11 local developers and realtors to gain an understanding of the CVRD’s residential market. Local experts agree that the CVRD is a highly desirable residential environment with significant unmet demand. Demand has grown considerably in recent years due to the following two factors:

- Although the CVRD used to be outside of Greater Victoria’s commuter catchment, high residential prices in the CRD have driven a growing number of households to seek housing further afield. According to one interview subject, traffic counts on Highway 1 in South Cowichan totalled about 10,000 per day in each direction ten years ago, but that number has increased to about 25,000, an increase of 150%, indicating significant growth in the commuting population.

More recently, demand for housing in the CVRD and throughout Vancouver Island has increased due to the COVID-19 pandemic for several reasons:

- Since more people are working from home, living close to key employment centres, such as Victoria and the Lower Mainland, is less of a priority, liberating many households to seek more affordable, spacious and desirable housing in peripheral areas.
- Vancouver Island is perceived as a safer environment during the pandemic than more permeable mainland communities.
- Some “snowbirds” who would normally make a habit of spending their summers in Canada and winters in warmer parts of North America (most notably Florida, Arizona and Mexico) are expecting to have more difficulty entering other countries in the near future and have opted instead to move to Vancouver Island, Canada’s most temperate region.

Comparing the property value trends of the region’s various jurisdictions reveals the following:

- **NORTH COWICHAN’S** duplex and townhouse units have been about as valuable as the regional average. This is unsurprising since North Cowichan is the largest jurisdiction and has a powerful impact on the regional average. Its single-detached homes, apartments and manufactured homes have generally been slightly less valuable than the regional average.
- **LADYSMITH** has extremely valuable apartments compared to the regional average. This was particularly true in the 2007–2011 period. Ladysmith’s duplexes, townhomes and manufactured homes have been of typical value for the region, and its single-detached homes have been slightly less valuable than the regional average.
- **DUNCAN’S** single-detached homes have been of extremely low value compared to the regional market, its duplexes have been of slightly lower-than-average value and its townhomes and apartments

have been of average value. This is unsurprising since Duncan contains a large share of the region's multi-unit housing. Duncan's manufactured homes were of below-average value for the region in 2007 but have consistently gained on the regional average and are now higher-than-average in value.

- **ELECTORAL AREA A** has tended to have the region's most valuable single-detached homes and more-valuable-than-average townhomes, although the value of its apartments and manufactured homes has been typical for the region. It did not have any duplex supply before 2017, and although this was extremely valuable compared to the region in 2017 and 2018, by 2019 the value of this supply had dropped below the regional average.
- **ELECTORAL AREA B's** residential property value has been higher than the regional average throughout this time period in every housing category, particularly among apartments in the 2007–2011 period. There have been no townhomes in electoral area B.
- **ELECTORAL AREA C's** residential property value has been higher than the regional average throughout this time period in every housing category. There have been no townhomes or apartments in electoral area C.
- **ELECTORAL AREA D** has exhibited single-detached, duplex and townhouse property values greater than the regional average and apartment and manufactured home values close to the regional average.
- **ELECTORAL AREA E** has exhibited single-detached housing values similar to the regional average and duplex values slightly below the regional average. Its townhouse values were lower than the regional average in 2007–2008 but jumped in 2009 (probably due to new construction) and have since been somewhat higher than the regional

average. Its manufactured homes were of below-average value for the region in 2007 but have consistently gained on the regional average and now match it. Electoral area E has had no apartments.

- **ELECTORAL AREA F** Throughout this period, electoral area F had single-family home values just below the regional average. The jurisdiction's average duplex value was \$50,000–\$100,000 below the regional average from 2007–2012 but then decreased abruptly to \$100,000 per unit, remaining among the region's lowest from 2013 – 2019. This kind of property depreciation would be very unusual, and probably indicates that some portion of electoral area F's duplex units were demolished and replaced by other types of housing in 2013. The average value of its manufactured home properties was the region's highest from 2008–2016. There were no townhomes or apartments in Electoral Area F during this period.
- **ELECTORAL AREA G** has had consistently high single-detached and manufactured home values and consistently low duplex values. Its townhouse values have been consistently the lowest in the region. This electoral area has had no apartments.
- **ELECTORAL AREA H** has had consistently high single-detached and manufactured home values. Its duplex values were below the regional average from 2007–2018 but jumped significantly above the regional average in 2019, probably due to new construction. This electoral area has had no townhomes or apartments.
- **ELECTORAL AREA I** has had consistently high single-detached values but consistently the lowest manufactured home values in the region. Its duplex values exceeded the regional average from 2007–2009 but since 2010 have been lower than the regional average. This electoral area has had no townhomes or apartments.

PROJECTIONS



While all of the information provided to date represents the current housing situation in the CVRD, the following sections focus on projections for what will happen over the next five years. This section includes four projections: Household, Population, Household Income and Tenure based on Statistics Canada Census Data, rennie intelligence’s Long-range Projections of Population, Housing, and Employment in the Cowichan Valley Regional District and Environics Analytics Demostats Income and Housing Projections.

HOUSEHOLDS: Between 2019 and 2025, the CVRD is expected to grow from approximately 35,000 households to almost 40,000, which would represent 14% growth in six years. This would be faster growth than observed in the recent past: the number of households in the region grew by 13% in the decade between the 2006 and 2016 censuses.

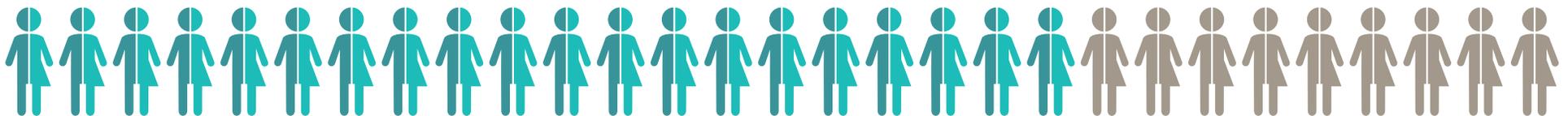
POPULATION: Between 2019 and 2025, the CVRD is expected to grow from about 80,000 people to about 92,000 people, which would represent 15% population growth over six years. This would be considerably

faster growth than observed in the recent past: the number of residents in the region grew by 8% in the decade between the 2006 and 2016 censuses—lower than the growth in the number of households because average household size decreased significantly.

INCOME: Two income projections were done to 2025. One projection assumes a rapid economic recovery from COVID-19, while the other assumes a slower economic recovery.

In 2025 (and in 2025 dollars), the CVRD is expected to have a median household income of \$89,193 in the rapid recovery scenario or \$83,978 in the slow recovery scenario.

Based on the income projection, the split of the CVRD’s households by tenure will shift slightly towards owners in the rapid recovery scenario (to 77% owner households and 23% renter households) and slightly towards renters in the slow recovery scenario (to 75% owner households and 25% renter households).



HOUSEHOLDS PROJECTION

Between 2019 and 2025, the CVRD is expected to grow from 35,000 households to 40,000, which would be growth of 14% in six years. This would be faster growth than observed in the recent past. The number of households in the region grew by 13% in the decade between the 2006 and 2016 censuses.

The slowest-growing jurisdiction (in terms of household count) is anticipated to be Lake Cowichan (3%) and the fastest-growing is electoral area F (54%). The fastest growing municipality will be Ladysmith at 13%, and the slowest growing electoral area will be electoral area E.

See Appendix I Table 54: Projection of households by jurisdiction 2019–2025.

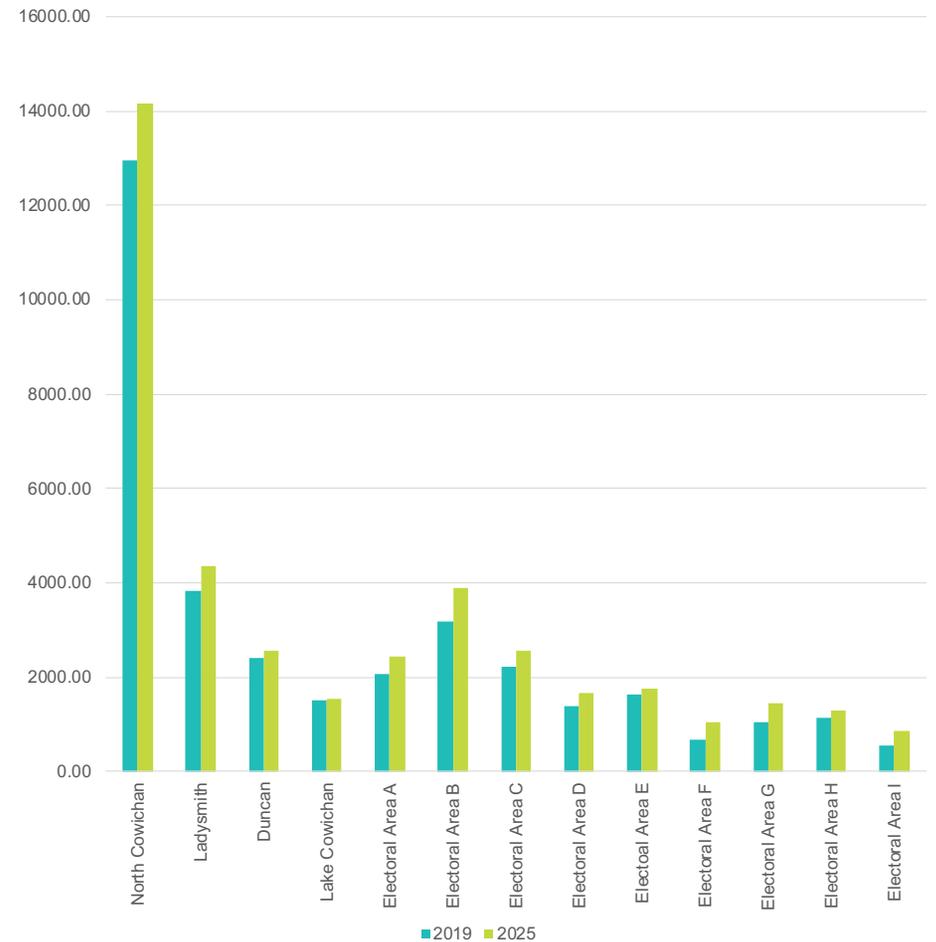


Figure 22: Projection of households by jurisdiction.

POPULATION PROJECTION

Between 2019 and 2025, the CVRD is expected to grow from 80,000 to 92,000, which would represent 14% growth over six years. This would be considerably faster growth than observed in the recent past: the number of residents in the region grew by 8% in the decade between the 2006 and 2016 censuses—lower than the growth in the number of households because average household size decreased significantly.

In this projection, the region’s average household size will barely change from 2019 to 2025, but the jurisdictions will generally become more similar in their household size composition, which is precisely what one would expect if a greater range of housing types becomes available throughout the region as anticipated.

The slowest-growing jurisdiction (in terms of population) is anticipated to be electoral area E (3%) and the fastest-growing is electoral area I (57%). The fastest growing municipality will be Ladysmith at 15% and the slowest growing Lake Cowichan at 4%.

See Appendix I Table 55: Projection of population by jurisdiction 2019–2025.



HOUSEHOLD INCOME PROJECTION

Two scenarios were considered when projecting income to 2025, producing two income projections that are used in this report:

- Rapid recovery scenario: This projection assumes a rapid economic recovery from COVID-19, putting household incomes in 2025 close to where they might have been if the pandemic had not occurred.
- Slow recovery scenario: This projection assumes a slower economic recovery from the COVID-19 pandemic, reducing household incomes significantly compared to the first scenario.

The reality is likely to be somewhere between these two scenarios.

The amount of residential growth that is assumed to occur is identical between scenarios because COVID-19 does not appear to have a negative impact on housing demand in the CVRD. However, the distribution of these households by income varies by scenario: households in the rapid recovery scenario are generally more affluent. In 2025 (and in 2025 dollars), the CVRD is expected to have a median household income of \$89,193 in the rapid recovery scenario or \$83,978 in the slow recovery scenario.

Within the CVRD, Duncan is projected to have the lowest median income at \$59,459 in the rapid recovery scenario or \$53,582 in the slow recovery scenario. Electoral area I and Lake Cowichan are projected to also have markedly lower median incomes than other jurisdictions in the CVRD.

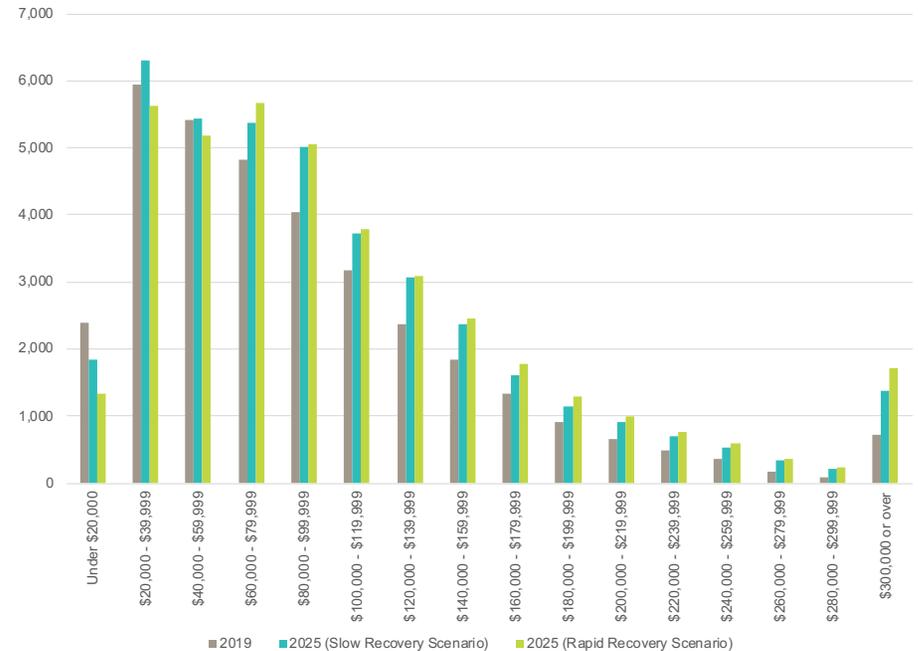


Figure 23: Households in the CVRD by income bracket in 2019 and in 2025 by scenario.

Electoral area B is projected to have the highest median income at \$107,659 in the rapid recovery scenario or \$101,993 in the slow recovery scenario. Electoral areas A and C are also projected to have high median incomes within the CVRD.

See Appendix I Table 56: Estimated number of households by income bracket by jurisdiction in 2019 and Tables 57–58: Projected number of households by income bracket by jurisdiction in 2025 (rapid recovery scenario and slow recovery scenario).

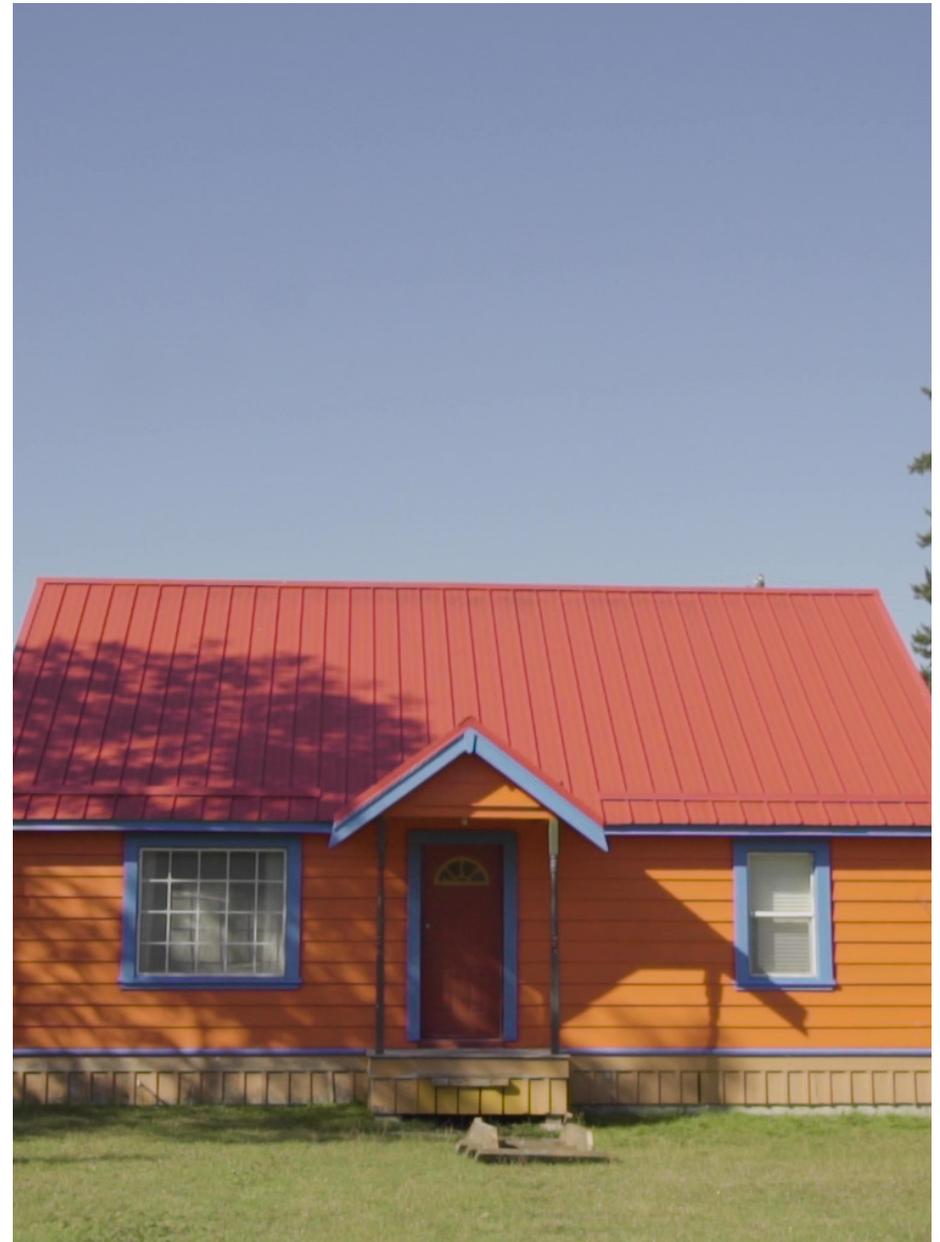
TENURE PROJECTION

Tenure is correlated with income and geography: some jurisdictions have a greater proportion of renter households than others as a function of their built form, urban amenities, amount of purpose-built rental and other local factors, but in all jurisdictions wealthier households tend to be homeowners and less affluent households tend to rent.

To create a projection of housing tenure, it is assumed that the split between owner households and renter households by real⁴ income group and jurisdiction in 2019 and 2025 resembles the split indicated in the 2016 Census.

Compared to 2019, real income increases in both the rapid recovery and the slow recovery scenarios by 2025 but increases more rapidly in the rapid recovery scenario. In 2019, the tenure split is 76% owner households and 24% renter households. In the rapid recovery scenario, the split of the CVRD's households by tenure shifts slightly towards owners (77% owner households and 23% renter households). However, in the slow recovery scenario, the split of the CVRD's households by tenure shifts slightly towards renters (75% owner households and 25% renter households).

See Appendix I Table 59: Distribution of households by tenure in 2019 and 2025 by scenario.



HOUSING NEEDS

The following section now comments on housing needs based on assessed values of ownership housing from BC Assessment, rental values from Canadian Rental Housing Index and Canada Mortgage and Housing Corporation. It also includes qualitative perspectives on housing needs for specific populations.

UNITS NEEDED: In 2025, it is projected that the CVRD will need an additional 4,955 units of housing, most of which should be one-bedroom units.

ADEQUACY: Compared to BC, in the CVRD there are similar levels of housing requiring major repair for owners (6% in 2016) and renters (9% in 2016).

SUITABILITY: Households in the CVRD are less crowded compared to BC (2016).

AFFORDABILITY: Compared to BC, owner households in the CVRD are experiencing fewer affordability challenges while renters are experiencing more affordability challenges than in the rest of BC. The share of households falling below the affordability standard (housing expenses equal to 30% of household income) in 2016 in the CVRD is 19%.

CORE HOUSING NEEDS: About 22% of the region's households are estimated to spend more than 30% of their household income on housing expenses, placing them in core housing need. About 4% of the region's households are estimated to spend more than 50% of their household income on housing expenses, placing them in extreme core housing need.



COMMUNITY PERSPECTIVES

Community members see homelessness as a critical issue. Many respondents to community engagement efforts addressed an acute need for housing and services for unhoused individuals and those engaged in substance misuse. Some feel that current supports are not adequate, and others feel that this is a safety issue in their community. Women and youth were often addressed as needing additional supports, as they are especially vulnerable.



HOMELESSNESS NEEDS TO BE ADDRESSED IN THE COWICHAN VALLEY. THE SOLUTION PROVIDED NEEDS TO BE LONG-TERM AND SUSTAINABLE. IT NEEDS TO ASSIST PEOPLE INITIALLY WITH GETTING THEM BACK ONTO THEIR FEET AND EVENTUALLY BACK INTO A PLACE OF WORK.,”



THERE ARE COMMUNITY CONCERNS REGARDING THE HOMELESS, DRUG USE AND RELATED CRIME INCREASE. WE NEED TO GET PEOPLE OFF THE STREETS AND INTO SAFE, COMFORTABLE AND AFFORDABLE LIVING ACCOMMODATIONS. HOWEVER, WE ALSO NEED COMMUNITY SUPPORT SYSTEMS TO HELP THOSE WHO ARE MARGINALIZED BY RACISM AND OTHER FORMS OF DISCRIMINATION SO THEY CAN LEARN TO COPE AND BECOME SELF-SUSTAINING.,”



I AM CONCERNED ABOUT THE AMOUNT OF DISCRIMINATION THAT THE COMMUNITY DEMONSTRATES TOWARD THOSE MOST IN NEED. THE ‘NOT IN MY BACKYARD’ ATTITUDES NEED TO CHANGE, AS DOES THE BLAME BEING PLACED ON THOSE WHO ARE MOST IN NEED. WE ARE ALL LIVING IN THE COMMUNITY, HENCE WE ARE THE COMMUNITY AND THOSE IN NEED ARE JUST AS IMPORTANT AS THOSE OF US WHO CAN AND DO SUPPORT OURSELVES. LOVE ONE ANOTHER, LOVE YOUR NEIGHBOUR AS YOURSELF.,”



THERE IS MORE NEED FOR LONG-TERM CARE FOR THOSE AGING OUT OF THE STREET COMMUNITY. WE NEED PERMANENT, SUPPORTIVE HOUSING FOR THOSE WHO WILL NEVER GET WELL PHYSICALLY OR ADDICTIONS-WISE. PERSONAL CARE AIDS ARE ALSO NEEDED.,”

COMMUNITY MEMBERS SEE HOMELESSNESS AS A CRITICAL ISSUE.

Key stakeholder interviews with housing and resource organizations surfaced a crucial need for more information and financial support in order to effectively aid clients. Many felt that they were ill-equipped to provide adequate help to clients as they lacked the financial capacity, staff resources or the relevant information. Information on other housing organizations and services, opportunities for collaboration and additional funding to support clients were all recommended.



THE COMMUNITY NEEDS A HOUSING SPECIALIST TO WORK WITH ALL DEMOGRAPHICS. THERE IS ALSO A NEED FOR A CENTRAL HUB TO ACCESS INFORMATION AND RESOURCES. IT CURRENTLY TAKES A LOT OF RESOURCES TO PROCURE INFORMATION. THAT HUB CAN IDENTIFY TRENDS IN WHAT PEOPLE ARE ACTUALLY ASKING FOR AND PROVIDE SUPPORT (PROGRAM PLANNING, FISCAL PLANNING) AND USE THAT INFORMATION TO BETTER CONNECT DIFFERENT ORGANIZATIONS.



WE DON'T HAVE A LOT OF MONEY AND HOUSING IS NOT THE MANDATE OF OUR ORGANIZATION. YET WE HAVE TO DO IT BECAUSE WE SEE THE NEED AND THERE'S NOBODY ELSE TO DO IT. WE CAN'T IGNORE IT. COWICHAN HAS SO MANY NOT FOR PROFITS BUT TOO FEW ARE DOING HOUSING.

MORE SUPPORTIVE HOUSING IS NEEDED FOR THOSE WITH MENTAL HEALTH CONDITIONS AND COGNITIVE OR PHYSICAL DISABILITIES.

Community members felt that a greater number of assisted living and transitional supportive housing units were required to support individuals with mental health conditions and cognitive or physical disabilities. Key stakeholder interviewees repeatedly pointed out that, as a result of some diagnoses and precarious housing situations, community members in these groups are more likely to engage in substance misuse, which compounds difficulty procuring housing. Housing that exists in parallel with appropriate supports is necessary for safety and long-term success.



NEED TRANSITION HOUSING FOR THOSE WITH COGNITIVE DISABILITIES OR MENTAL HEALTH CONDITIONS LEAVING HOSPITAL CARE TO BEGIN LIFE ON THEIR OWN AGAIN. HOUSING FOR THOSE WITH PHYSICAL DISABILITIES IS DIFFICULT OR NON-EXISTENT, AND THERE IS A LACK OF SENIORS HOUSING FOR THOSE WHO CAN'T AFFORD A SIMPLE ROOM OR BACHELOR APARTMENT.

SOME RESIDENTS FACE ADDITIONAL BARRIERS TO RENTAL HOUSING.

Based on results of community engagement, young people, newcomers, renters with young children, renters with pets and renters with disabilities were more likely to have been refused rental housing. In addition, the risk of rental units being sold by landlords puts additional strain on residents renting their homes.

“ ONE OF THE ADDED CHALLENGES FOR FINDING HOUSING IS THAT EXISTING RESIDENTS SEE NEWCOMERS AS COMPETITION. LANDLORDS PRIORITIZE CANADIAN RENTAL EXPERIENCE (READY TO RENT IS A GOOD PROGRAM AND HELPS),”

“ HAVING PETS AND YOUNG CHILDREN IN THE PAST HAS BEEN AN ISSUE AND REALLY LIMITS OPTIONS,”

“ WHEN WE FIRST MOVED TO COWICHAN, MY WIFE AND TWO SMALL CHILDREN LOOKED AT RENTAL HOUSES. THEY WERE SHOWN JUNK. NEXT DAY I DRESSED IN A SUIT AND TIE. I WAS DIRECTED TO SOME VERY NICE HOUSES,”

“ I WAS MOSTLY PASSED OVER IN FAVOUR OF MORE UPWARDLY MOBILE TENANTS,”

“ WHEN I WAS YOUNGER AND LOOKING FOR UNIVERSITY HOUSING, MY AGE (EARLY 20s) AND GENDER (FEMALE) WERE BOTH CONSIDERED NEGATIVES. I AM OLD ENOUGH THAT THIS WAS PERMITTED DISCRIMINATION, AND IT WASN'T SURPRISING,”

“ THINK I WAS REFUSED HOUSING BECAUSE I LIVE ON PROVINCIAL DISABILITY,”

“ WHEN I WAS IN MY 20s, I WAS TOLD THAT THEY CHOSE OTHER TENANTS BECAUSE THEY WERE CONCERNED ABOUT MY AGE. LATER ON AT AGE 30 IT WAS BECAUSE I HAD A PET,”

RESIDENTS ARE IN FAVOUR OF SMALLER HOUSING UNITS.

Community members indicated a desire for smaller and more affordable housing units to answer concerns around unaffordability and mobility challenges. They suggested potential solutions, including densifying through land-sharing opportunities, secondary suite allowances, increased multi-family dwellings, manufactured home parks and tiny homes.



TINY HOMES OFFER AN OPPORTUNITY TO INCREASE THE QUANTITY AND DENSITY OF AVAILABLE HOUSING WITH FEWER RESOURCES AND LESS IMPACT (SMALLER FOOTPRINT).”



IT MIGHT BE INTERESTING TO EXPLORE OUT OF THE BOX OPTIONS FOR LAND SHARING OR MULTIPLE-DWELLING PROPERTIES TO HELP MAKE THINGS MORE AFFORDABLE.”



WE SHOULD CONSIDER HOUSING WITHOUT DEPOSITS—TINY HOMES, SHARED LAND, LONG TERM LEASE OF LAND AND CO-OPERATIVE OWNERSHIP AND DEVELOPMENT.”

CULTURALLY APPROPRIATE HOUSING UNITS ARE NEEDED FOR FIRST NATIONS AND NEWCOMERS.

Rental units and affordable market homes should consider the unique needs of First Nations people and newcomers. Specifically, higher occupancy units, the addition of communal spaces and access to transportation, cultural amenities and community services.



WE ARE FINDING WE NEED HOUSING UNITS FOR PEOPLE WHO WANT TO LIVE IN MULTI-GENERATIONAL HOMES AND BE CONNECTED WITH THEIR FAMILIES.”



I WOULD LIKE TO SEE MORE INNOVATION—EXAMPLE: PORT RENFREW HAS HOUSING PODS MADE OF CEDAR BUILDINGS AND YURTS WITH A COMMON CENTRAL CONGREGATION AREA.”

PROJECTION OF HOUSING NEED BY NUMBER OF BEDROOMS

For the purpose of this exercise, housing need by bedroom count is defined as one bedroom per cohabitating couple plus one bedroom per individual (including children) not in a cohabitating couple. Average people per household is based on Environics data, and in the 2025 projection is adjusted to be compatible with the population per household defined by rennie intelligence. Assumptions about how many households contain couples is based on the 2016 Census data.

Most households in all jurisdictions across the CVRD and both years (22,967 households in 2019 and 26,540 households in 2025) need only one bedroom. The reason for this is that one bedroom of need corresponds with one-person and one-couple households, which according to the 2016 Census, comprise about 89% of two-person households (this proportion varies by jurisdiction, from 73% in Duncan to 98% in electoral area C).

According to this definition of need, all jurisdictions in the CVRD in 2016 contained a significant over-supply of two-bedroom and three-or-more-bedroom homes, since only 9% of the region’s homes had one bedroom, 26% had two bedrooms and 65% had three or more bedrooms. This only implies that many households possessed more bedrooms than they needed, according to this strict definition. This does not prevent or indicate a contradiction with 2% of households experiencing overcrowding: it is

simply the case that despite the absolute surfeit of bedrooms in all parts of the region, some households still had less than they needed.

In 2025, it is projected that the CVRD will need an additional 4,955 units of housing, most of which should be one-bedroom units, as shown in Table 2.

See Appendix I Table 60: Housing need by number of bedrooms and jurisdiction in 2019.

	1 Bedroom	2 Bedroom	3+ Bedrooms	TOTAL
North Cowichan	9,480	2,024	2,641	14,145
Ladysmith	2,919	619	815	4,353
Duncan	1,707	447	402	2,557
Lake Cowichan	1,001	262	280	1,543
Electoral Area A	1,673	622	963	3,897
Electoral Area B	2,313	622	410	3,897
Electoral Area C	1,894	262	410	2,566
Electoral Area D	1,110	256	319	1,675
Electoral Area E	1,110	266	382	1,748
Electoral Area F	700	145	204	1,050
Electoral Area G	1,038	172	238	1,449
Electoral Area H	940	143	212	1,296
Electoral Area I	582	117	159	858
TOTAL	26,447	5,616	7,504	39,568

Table 2: Housing need by number of bedrooms and jurisdiction (2025).

NON-MARKET HOUSING

As per the calculation on affordability of new development, the market will struggle to provide new housing that is affordable for lower income households. Across the CVRD, households with incomes below approximately \$53,000 (in Duncan) to \$59,000 (in electoral area B) will not be able to afford renting new homes. Some households with income below this amount will still be able to find housing in the rental market, as older rental homes can be more affordable.



MARKET RENTAL HOUSING

Rental rate data was integrated from the following sources to produce a model of rental housing costs throughout the CVRD:

- The Canadian Rental Housing Index (2016)
- The Canada Mortgage and Housing Corporation Housing Data Portal
- Interviews with local property managers

These results include subsidized rental properties and the cost of utilities and are in line with the findings of the Housing Needs Assessment engagement questionnaire and with current rental listings on Craigslist and similar websites.

See Appendix I Figure 24 and Table 61: Rental rates by jurisdiction in 2019.

Note that detailed data was available for North Cowichan, Ladysmith and Duncan, but that insufficient data was available to detect meaningful differences between rental housing cost trends in the other ten jurisdictions.

Note also that the data reflects rental rates that are currently paid by households rather than the rates those same units might be able to achieve if they were vacated and placed on the market today. British Columbia's *Residential Tenancy Act* only permits rental rates to be increased by a limited amount each year. The impact of this policy is that

JURISDICTIONS	30% of Income Spent on Housing		50% of Income Spent on Housing	
	Income Threshold	Share of Renter households Below	Income Threshold	Share of Renter households Below
NORTH COWICHAN	\$42,900	41%	\$21,600	13%
LADYSMITH	\$39,400	35%	\$20,700	11%
DUNCAN	\$34,600	39%	\$19,200	9%
LAKE COWICHAN	\$48,400	62%	\$26,200	30%
ELECTORAL AREA A	\$48,400	25%	\$26,200	10%
ELECTORAL AREA B	\$48,400	30%	\$26,200	12%
ELECTORAL AREA C	\$48,400	31%	\$26,200	13%
ELECTORAL AREA D	\$48,400	48%	\$26,200	23%
ELECTORAL AREA E	\$48,400	46%	\$26,200	21%
ELECTORAL AREA F	\$48,400	42%	\$26,200	18%
ELECTORAL AREA G	\$48,400	59%	\$26,200	38%
ELECTORAL AREA H	\$48,400	49%	\$26,200	20%
ELECTORAL AREA I	\$48,400	55%	\$26,200	27%
TOTAL		40%		14%

Table 3: Income for 30% affordability threshold for renter households in 2019.

renter households who remain in the same dwelling for many years tend to pay less rent than more recently arrived renter households. Landlords and property owners of currently listed rental units will therefore tend to ask higher rents than those represented here, as these rates are varying subject to rent control.

All data sources suggest that the CVRD is in a state of acute rental shortage, with almost no vacancy. Households seeking rent in the region are locating where housing is available rather than where they would prefer, which tends to equalize rental rates throughout the region.

In most jurisdictions in the CVRD, the majority of renter households making less than \$40,000–\$50,000 per year (varying by jurisdiction) spend more than 30% of their annual income on housing expenses, meaning that they are in housing need; and the majority of renter households making less than \$20,000–\$25,000 per year spend more than 50% of their annual income on housing expenses, meaning that they are in extreme core housing need. The precise level of household income below which renter households would fall below the affordability thresholds varies by jurisdiction.

Note that a portion of households living in non-market housing are removed from Table 3 because they are assumed to not be in a state of housing need despite their low income.

By this account, the most affordable jurisdiction to rent is Duncan, and the least affordable is Lake Cowichan and the electoral areas. The cost of renting compares most favourably to the average household income in Duncan and electoral area A, and least favourably in electoral areas G and I. These results indicate that the share of renter households that fall below the 30% affordability threshold ranges from 25%–60% with an overall average of 40%, which is mostly in line with historical trends reported in the census. Similarly, the share of renter households that fall below the 50% affordability threshold ranges from 10%–30% with an overall average of 14%.

Engagement results suggest the CVRD is in a state of acute rental shortage with almost no vacancy and an identified need for more rental options. Engagement results spoke to the need for more purpose-built rentals to meet housing challenges in the CVRD, especially for young families, youth, Indigenous people, those with mental health challenges, singles and seniors. Many respondents feel that the size of their dwellings is not adequate to meet their needs, but rental costs prevent them from seeking larger homes. Young people, newcomers, renters with young children, renters with pets and renters with disability were more likely to have been refused rental housing.

In primarily rural areas, such as the electoral areas, most rental stock is provided through the secondary rental market (e.g., owners renting condominium apartments, houses, etc.). The secondary rental market also composes a significant portion of the rental market in more urban areas. Units in the secondary rental market can easily “flip” tenures—rented units become owner-occupied, or owners decide to rent out their units. The risk of rental units being sold by landlords puts additional strain on residents renting their homes.

Additionally, the lack of rental options across the CVRD means that households seeking rental housing in the region are locating where housing is available rather than where they would prefer.



Household income	30% of income	50% of income	North Cowichan	Ladysmith	Duncan	Elsewhere in CVRD
\$20,000	\$6,000	\$10,000	\$10,641	\$10,306	\$8,791	\$12,775
\$40,000	\$12,000	\$20,000	\$12,560	\$11,877	\$11,622	\$13,855
\$60,000	\$18,000	\$30,000	\$14,662	\$13,991	\$13,014	\$15,441
\$80,000	\$24,000	\$40,000	\$16,496	\$15,934	\$13,872	\$17,214
\$100,000	\$30,000	\$50,000	\$17,934	\$17,418	\$14,382	\$18,853
\$120,000	\$36,000	\$60,000	\$18,940	\$18,503	\$14,657	\$20,166
\$140,000	\$42,000	\$70,000	\$19,574	\$19,245	\$14,803	\$21,117
\$160,000	\$48,000	\$80,000	\$19,998	\$19,736	\$14,902	\$21,803
\$180,000	\$54,000	\$90,000	\$20,254	\$20,022	\$14,964	\$22,267
\$200,000	\$60,000	\$100,000	\$20,401	\$20,175	\$14,999	\$22,571
\$220,000	\$66,000	\$110,000	\$20,486	\$20,258	\$15,019	\$22,779
\$240,000	\$72,000	\$120,000	\$20,533	\$20,299	\$15,031	\$22,924
\$260,000	\$78,000	\$130,000	\$20,557	\$20,317	\$15,037	\$23,025
\$280,000	\$84,000	\$140,000	\$20,565	\$20,320	\$15,039	\$23,079
\$300,000	\$90,000	\$150,000	\$20,566	\$20,320	\$15,040	\$23,109

Table 4: Estimated housing costs versus household income for renter households. Incomes spending more than 30% of their income on housing costs are highlighted in teal. Incomes spending more than 50% of their income on housing costs are in bold teal.

MARKET OWNERSHIP

As with renter households, housing affordability for homeowners was analyzed for owner households by assuming that the wealthiest 1% of households will occupy the most expensive 1% of homes, the wealthiest 10% of households will occupy the most expensive 10% of homes, etc. Assigning homes to income groups in this way reveals which income groups might struggle to pay for housing.

The precise level of household income below which owner households with mortgages would fall below the 30% affordability threshold varies by jurisdiction.

The cost of homeownership compares most favourably to the average household income in electoral areas G and H, and least favourably in Duncan and electoral area I. These results indicate that the share of owner households that fall below the 30% affordability threshold ranges from 10%–36% with an overall average of 17%, which is mostly in line with historical trends reported in the census.

See Appendix I Table 62: Estimated housing costs versus household income for owner households with mortgages.

JURISDICTIONS	Income Threshold	Share of Renter households Below
NORTH COWICHAN	\$54,300	15%
LADYSMITH	\$50,400	16%
DUNCAN	\$46,100	22%
LAKE COWICHAN	\$48,400	16%
ELECTORAL AREA A	\$24,800 - \$71,800	20%
ELECTORAL AREA B	\$60,288	18%
ELECTORAL AREA C	\$21,422 - \$59,039	10%
ELECTORAL AREA D	\$21,094 - \$61,648	15%
ELECTORAL AREA E	\$53,077	16%
ELECTORAL AREA F	\$44,729	18%
ELECTORAL AREA G	\$63,802	13%
ELECTORAL AREA H	\$60,406	14%
ELECTORAL AREA I	\$116,275	36%
TOTAL		16%

Table 5: Income for 30% affordability threshold⁵ or owner households in 2019.

HISTORIC AND CURRENT HOUSING CONDITION (ADEQUACY)

The share of all households requiring major repair (the adequacy standard) remained fairly constant in BC between 2006 and 2016:

- For owners: from 5% to 6%
- For renters: from 7% to 8%
- For all households: from 6% to 6%

Compared to BC, adequacy in the CVRD is about the same for owners and somewhat worse for renters but improving (from 12% in 2006 to 9% in 2016) to produce a similar overall share.

Within the CVRD:

- Fewer households of both tenures required major repairs in North Cowichan
- Fewer owner households required major repairs in electoral area C
- Fewer renter households required major repairs in Ladysmith and electoral areas D, E, F, G and H, although the census data reports that zero renter households required major repairs in electoral areas F and G, so these two data points might be spurious
- More households of both tenures required major repairs in Lake Cowichan and electoral area I

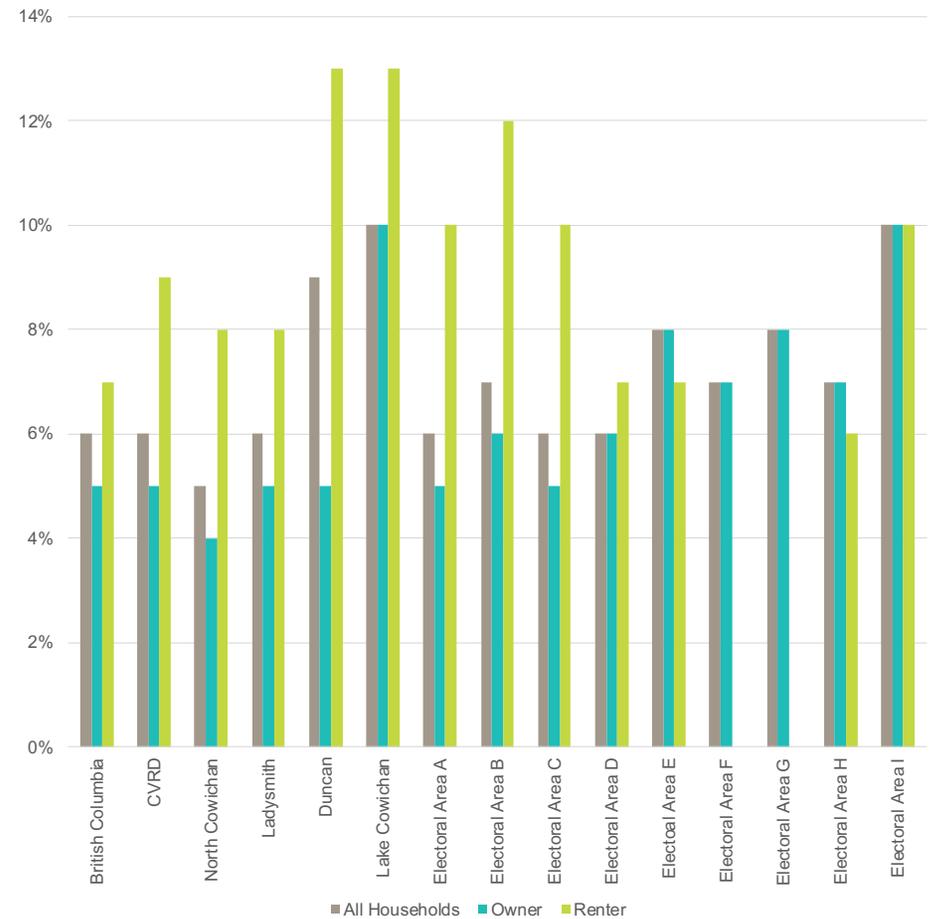


Figure 23: Share of household by tenure below adequacy standard (major repairs required) in 2016.

- More owner households required major repairs in electoral areas E, F, G and H
- More renter households required major repairs in Duncan and electoral areas B and C

And as for trends in the proportion of households requiring major repairs:

- Most jurisdictions in the CVRD saw a decrease in the share of owner households requiring major repair, as mentioned above, although electoral areas B and C saw increases
- North Cowichan saw a decrease in the share of owner households needing major repair
- Lake Cowichan and electoral areas, B, D and E saw increases in the share of owner households needing major repair



	Owners			Renters			All households		
	2006	2011	2016	2006	2011	2016	2006	2011	2016
British Columbia	6%	6%	5%	8%	8%	7%	6%	6%	6%
CVRD	6%	5%	5%	12%	9%	9%	7%	6%	6%
North Cowichan	6%	4%	4%	8%	9%	8%	6%	6%	5%
Ladysmith	6%	5%	5%	20%	9%	8%	9%	6%	6%
Duncan	6%	7%	5%	19%	10%	13%	12%	8%	9%
Lake Cowichan	8%	7%	10%	16%	5%	13%	10%	6%	10%
Electoral area A	5%	4%	5%	10%	0%	10%	5%	4%	6%
Electoral area B	4%	4%	6%	4%	5%	12%	4%	4%	7%
Electoral area C	5%	4%	4%	0%	0%	11%	5%	4%	4%
Electoral area D	4%	5%	6%	17%	0%	7%	7%	5%	6%
Electoral area E	6%	7%	8%	22%	19%	7%	9%	8%	8%
Electoral area F	6%	6%	7%	31%	0%	0%	10%	5%	7%
Electoral area G	10%	9%	9%	0%	0%	0%	9%	9%	8%
Electoral area H	8%	4%	7%	25%	0%	6%	9%	4%	7%
Electoral area I	11%	11%	10%	13%	0%	10%	10%	9%	10%

Table 6: Share of household by tenure below adequacy standard (major repairs required) from 2006 to 2016.

HISTORIC AND CURRENT OVERCROWDING (SUITABILITY)

The share of all households experiencing overcrowding (the suitability standard) in BC decreased between 2006 and 2016:

- For owners: from 4% to 3%
- For renters: from 12% to 9%
- For all households: from 7% to 5%

Compared to BC, households in the CVRD are less crowded for both tenure groups, and improvement was also observed:

- For owners: from 2% to 1%
- For renters: from 8% to 6%
- For all households: from 3% to 2%

Within the CVRD, crowding was particularly an issue for owners in Lake Cowichan and electoral areas A, B, E, F and G, and for renters in North Cowichan and electoral areas B, E and I.

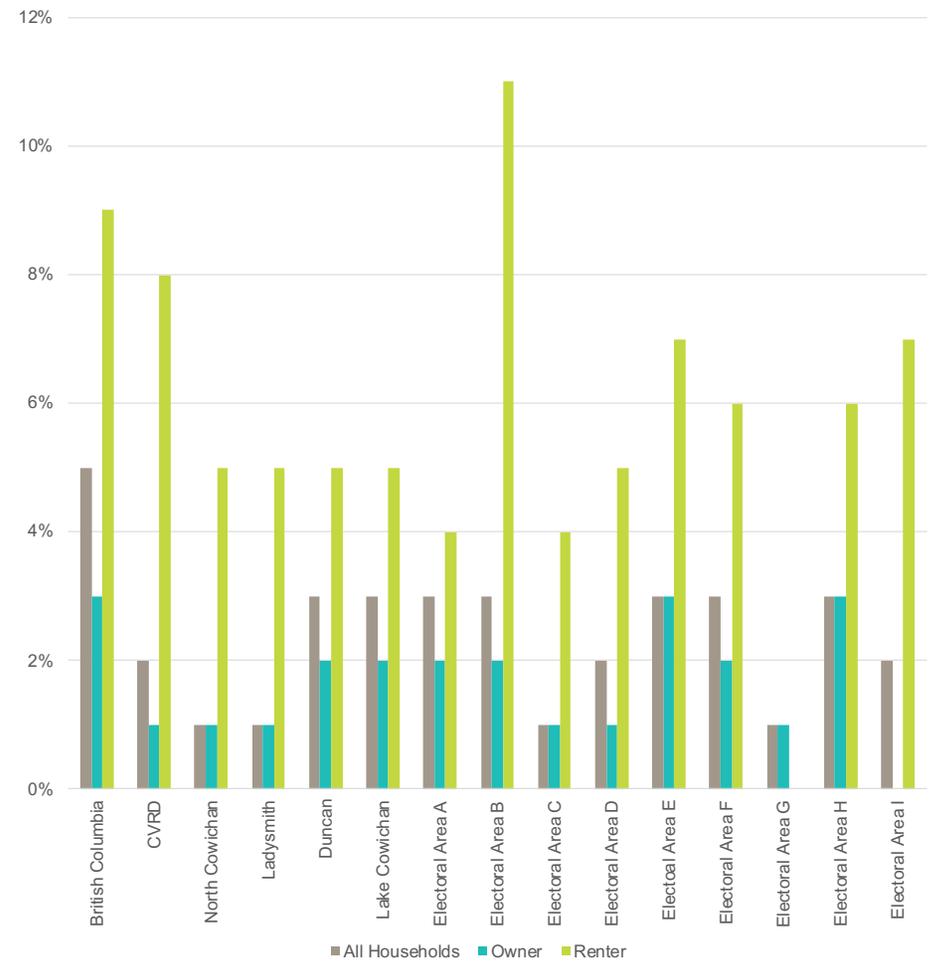


Figure 24: Share of households by tenure below suitability standard (overcrowded) in 2016.

HISTORIC AND CURRENT AFFORDABILITY

The share of all households falling below the affordability standard (housing expenses equal to 30% of household income) remained fairly constant in BC between 2006 and 2016:

- For owners: from 17% to 19%
- For renters: from 34% to 35%
- For all households: from 23% to 22%

Compared to BC, affordability in the CVRD is somewhat better for owners (14%–16%) and somewhat worse for renters (38% in 2006 and 2016 and 42% in 2011 during the recession), to produce a slightly more favourable overall share of 19%–20% of households experiencing affordability challenges.

Within the CVRD:

- Households of both tenures experience greater unaffordability challenges in Duncan, Lake Cowichan and electoral area F.
- Owner households have fewer affordability issues in electoral areas C, D, G, H and I.
- Renter households have fewer affordability issues in Ladysmith and electoral areas A, B, D and G.

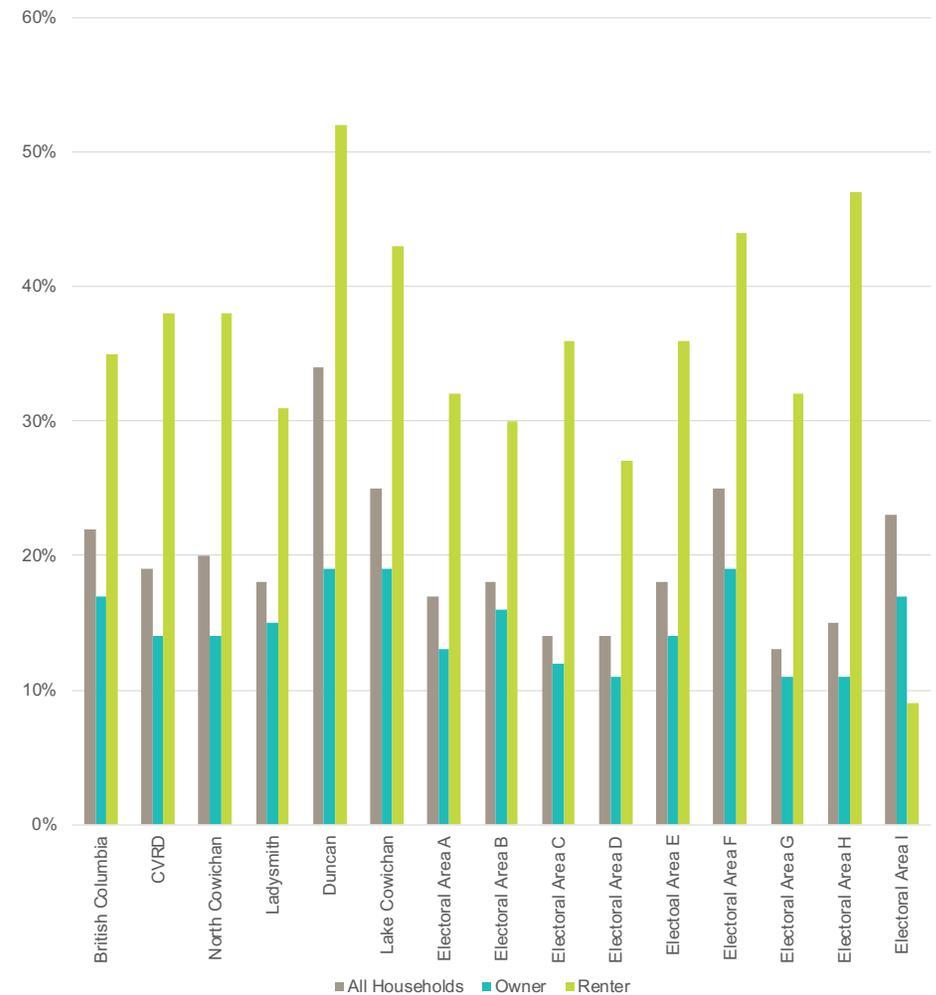
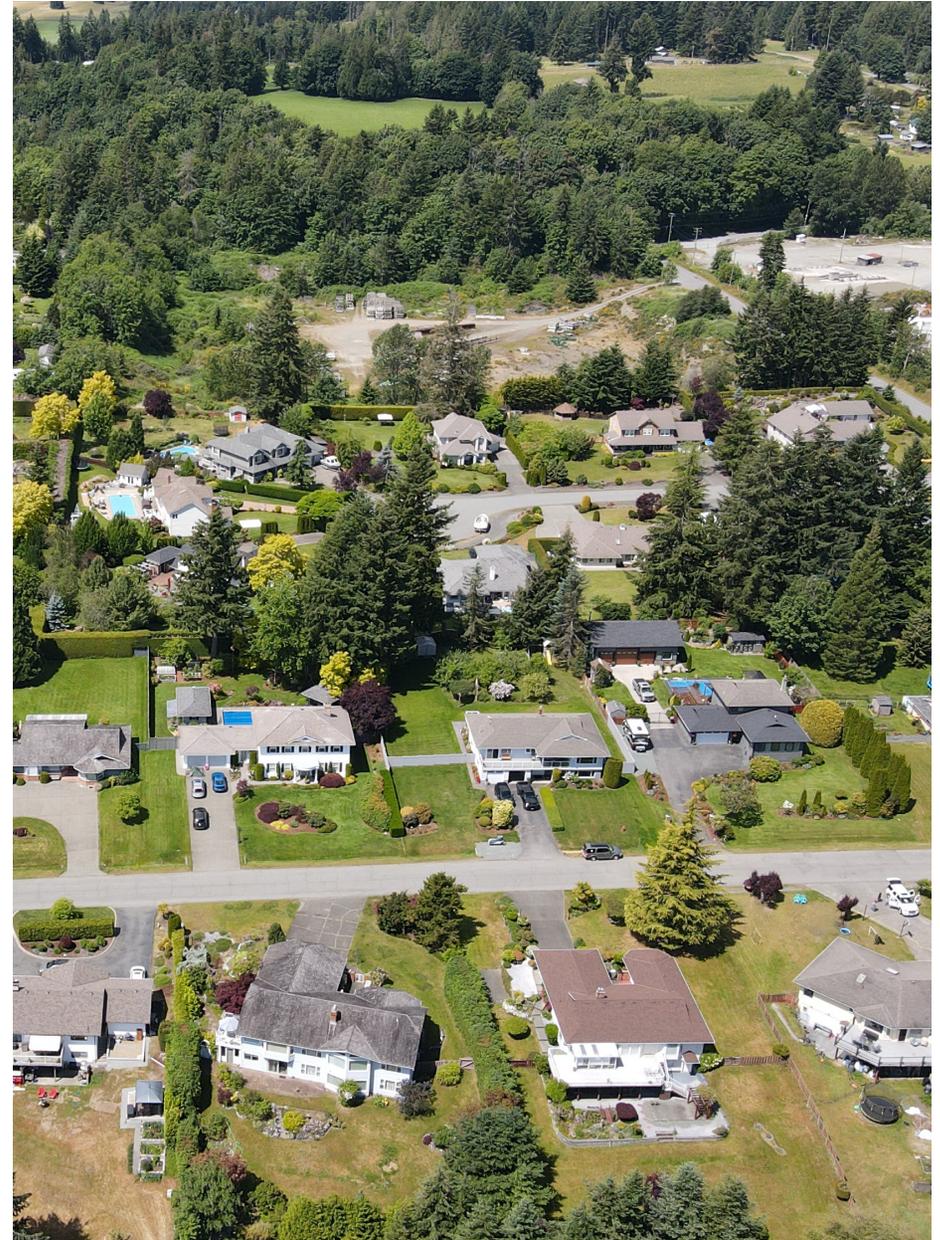


Figure 25: Share of households by tenure below affordability standard (2016)⁶.

And as for trends in affordability:

- In electoral areas A, B and D, affordability increased for both tenure groups.
- Ladysmith saw an increase in affordability for renters but did not change significantly for owners.
- In electoral areas H and I, affordability increased for owners but decreased for renters.
- In Duncan, Lake Cowichan and electoral area F, affordability decreased for both tenure groups.
- In electoral areas C, E and G, affordability decreased for renters did not change significantly for owners.

See Appendix I Table 63: Share of households by tenure below affordability standard from 2006–2016 and Figure 25: Share of households by tenure below affordability standard in 2016.



CORE HOUSING NEED AND EXTREME CORE HOUSING NEED

Combining the share of each jurisdiction's owner households and renter households in housing need in 2019 produces an overall share of households in core housing need and extreme core housing need in each jurisdiction.

See Appendix I Table 64: Share of total households in housing need by jurisdiction in 2019.

About 22% of the region's households are estimated to spend more than 30% of their household income on housing expenses, placing them in core housing need. About 4% of the region's households are estimated to spend more than 50% of their household income on housing expenses, placing them in extreme core housing need. Within the CVRD:

- Electoral area I has the highest percentage of residents in core housing need (44% of residents) and extreme core housing need (11%).
- Lake Cowichan and Duncan each have approximately 29–30% of households in core housing need. Lake Cowichan has the second-highest share of households in extreme core housing need, at 8%.
- North Cowichan and electoral areas A, B, D, E, F and H all have shares of households in core housing need close to the regional average (20%–23%).

- Ladysmith and electoral areas C and G have the lowest shares of households in core housing need (19%, 18% and 17%, respectively).
- Ladysmith and electoral areas A and B have the lowest share of households in extreme core housing need, at 2% each.

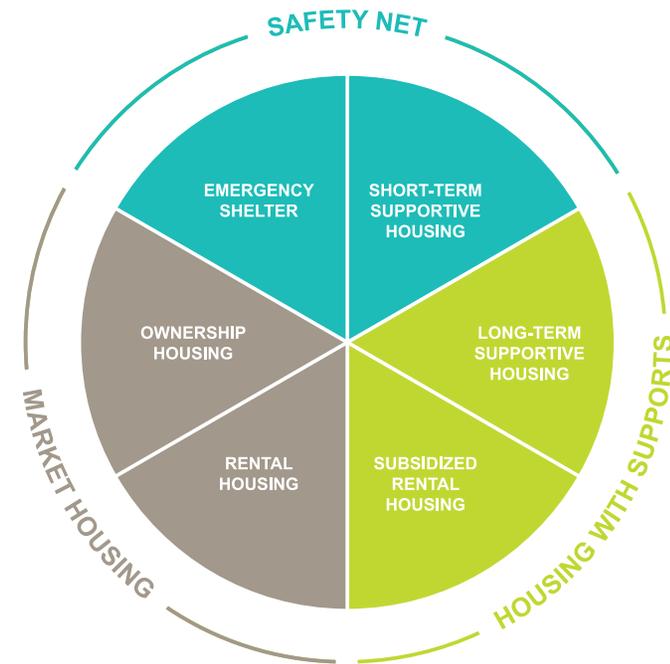


Figure 26: The City of Kelowna's Housing Wheelhouse.

HOUSING NEEDS FOR SPECIFIC POPULATIONS

The following sections summarize key findings through qualitative research relating to specific populations.

HOUSING FOR FAMILIES

Single-family homes for rent or purchase have become prohibitively expensive in many areas across the region and as such affordable family housing stock is at a minimum. In order to find housing within financial constraints, families may be forced to seek housing in less suitable neighbourhoods away from schools or employment or may accept inadequate, unsuitable housing in order to be near those amenities. Young families, low-income families and lone parent families in particular are at risk of housing instability, and parents expressed feelings of housing discrimination and a lack of appropriate and affordable options to meet their families' needs.

HOUSING FOR YOUTH

Youth face unique housing challenges as this group is especially vulnerable and may require additional staff supervision for their health and safety. Housing models should take into account the distinct needs of youth, especially in regard to their social, educational and developmental needs, as current housing tends to follow an unsuitable adult model, according to key stakeholder engagement, and may put youth in close proximity with adult clients. Programmatic elements built into youth housing services are key components to providing support, guidance, life skills and counselling and to ensure that young people can

thrive and succeed. Locating youth housing outside of regional community-level service centres is advisable, but adequate transportation services are required for youth in care to access additional programs and support networks. There is a critical opportunity for collaborative planning among housing providers, youth-serving organizations, mental health services and educational organizations.

HOUSING FOR NEWCOMERS

The Cowichan Valley is home to residents of diverse cultural backgrounds, but current housing is not meeting their needs. Key stakeholder interviewees indicated that residences geared towards newcomers would benefit from additional elements to foster suitable and culturally considerate dwellings. These include increased size and the addition of communal spaces to accommodate extended families and social gatherings. Language barriers may exist for newcomers, and often the deep reliance on pedestrian transportation is overlooked when considering this group.

HOUSING FOR FIRST NATIONS

First Nations key stakeholders routinely addressed the need for larger single-family homes to house large, multi-generational families and indicated that overcrowding in housing units was often a challenge. This issue is compounded as Indigenous youth return home due to precarious housing situations. A lack of suitable rental houses off-reserve and inadequate housing on-reserve is further exacerbated by unaffordable market home ownership. Members may be forced to

reside in unsafe units or those requiring costly upkeep in order to stay close to their communities or accommodate their families. The lack of accessible, culturally appropriate units for Elders is a growing concern. Reserve land availability and lack of infrastructure, in addition to rising construction costs, create major barriers to development identified by First Nations in the region.

HOUSING FOR PEOPLE WITH SPECIAL NEEDS

As people with physical disabilities and developmental delays reside across the region, there is an undeniable need for a distributed housing model to provide supportive housing and services in people's communities.

Engagement with community organizations underscored the challenges they face as the large majority of those in supportive housing or seeking housing are seniors. Current residences may not adequately meet the accessibility needs of older clients, and this challenge will only grow as clients age.

Developing a variety of unit types based on universal design will ensure that all individuals' developmental needs and disabilities can be adequately accommodated. As a result of additional vulnerabilities, these groups may be at greater risk of homelessness, so it is imperative that they can easily access housing and associated supports. Locating housing near commercial and community amenities will ensure that people with physical disabilities and developmental delays can access

the services they need. Proximity to transit and paratransit is also crucial to promote independence and reduce social isolation.

HOUSING FOR PEOPLE EXPERIENCING HOMELESSNESS

Interviews with housing and community organizations identified a lack of emergency shelters and long-term options for those experiencing homelessness in the broader region. In particular, engagement results point to a lack of safe housing options for youth, First Nations, women and those with mental health challenges.

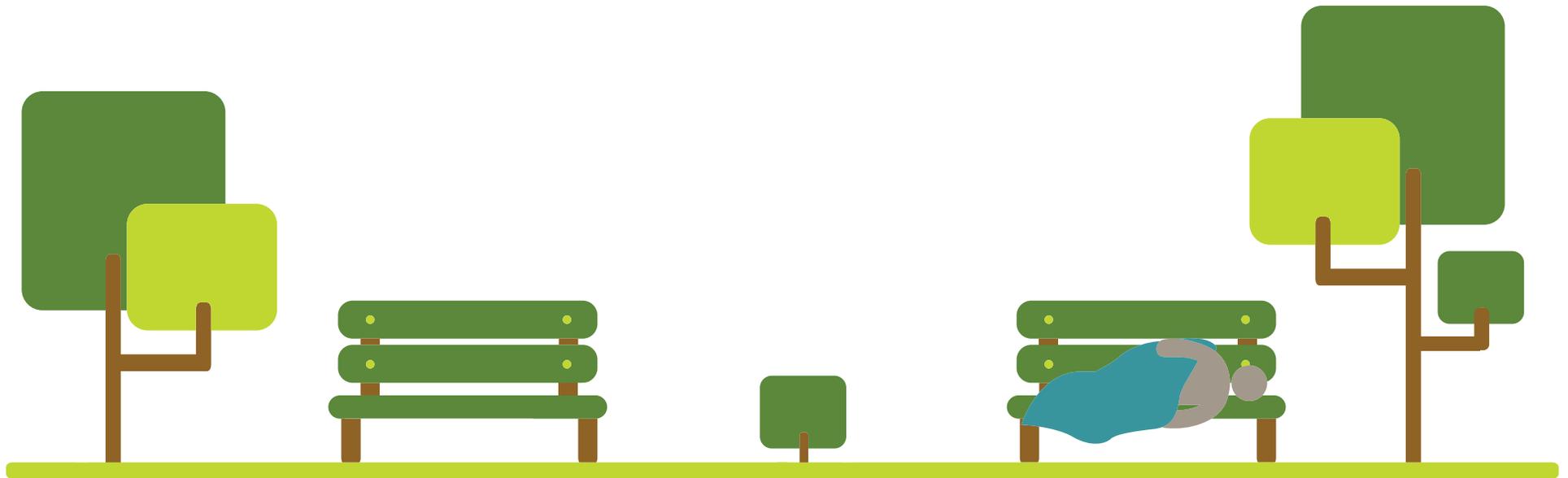
Broader engagement results suggest that those seeking emergency shelter and supportive services frequently travel to regional community-level service centres like Duncan and North Cowichan, where many programs and services exist. As a result, Duncan and North Cowichan are overwhelmed by the demand incurred by out of area residents seeking shelter, with many community organizations indicating a desperate need for additional supports.

Interviews with housing and community organizations highlighted the urgent need for a spectrum of housing options to meet the varying needs of different groups experiencing homelessness. There is an additional need for supportive, permanent, long-term care for those aging out of the street entrenched community.

Respondents indicated that low-income households were having the

most difficulty meeting their housing needs in this community and many spoke to the need to find housing solutions for those experiencing homelessness. Many respondents felt that supportive services were needed to address concurrent afflictions, like mental health issues and substance misuse. Others spoke to the cost of not addressing homelessness. Businesses, especially along the highway corridor in Duncan and North Cowichan, report public safety impacts to their businesses relating to homelessness.

Many respondents addressed an acute need for housing and services for unhoused individuals and those engaging in substance misuse. Some feel that current supports are not adequate, and others feel that this is a safety issue in their community. Women and youth were often addressed as needing additional supports as they are especially vulnerable.



AFFORDABILITY



A financial model analyzing the cost of residential development for a variety of housing types and tenures was created considering the Altus Construction Cost Guide, development costs by jurisdiction (permit fees, development cost charges, etc.), parking requirements by jurisdiction as defined by zoning bylaw and market research drawn from current listings on realtor.ca.

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 identified. This is called the “economic price”. These minimum prices and rental rates imply what levels of household income would be required to purchase or rent new units in Duncan without paying more than 30% of one’s household income. This analysis was performed for 2020 and 2025.

AFFORDABILITY OF NEW DEVELOPMENT: The income required to afford the purchase or rent of a new home is greatest to purchase a single-detached home, followed by purchasing a townhome, renting a townhome, purchasing an apartment and finally, renting an apartment. About 37% of households in the region will not be able to afford renting a new apartment. Some households with income below \$62,000 will still be able to find housing in the rental market, as older rental homes

can be more affordable. Townhomes will increase in cost faster than the region’s incomes, and apartments will increase in cost more slowly: this is probably the result of patio homes (a particularly desirable type of townhome) being in such short supply and high demand versus apartments, which are much less desirable in this part of Vancouver Island.

	2019	2025
Single-Detached Home	\$116,000-\$126,000	\$132,000-\$143,000
Purchasing a Townhome	\$83,000-\$90,000	\$96,000-\$104,000
Renting a Townhome	\$76,000-\$78,000	\$91,000-\$93,000
Purchasing an Apartment	\$62,000-\$68,000	\$69,000-\$76,000
Renting an Apartment	\$53,000-\$59,000	\$61,000-\$68,000

Table 7: Income range requirements per tenure 2019–2025. Income range required to purchase or rent affordability based on 2019 household incomes are highlighted in blue. Projected household income that would be required to purchase or rent a new unit in 2025 are highlighted in green.

FINANCIAL ANALYSIS RESULTS



Based on the construction cost assumptions detailed in Appendix II, the following housing prices represent the most affordable units that a developer or building owner could afford to produce in each jurisdiction across the CVRD. More affordable new units may exist, but these would arise from exceptional circumstances, such as unusually cheap land or government subsidies and incentives.

Note that the main hard cost item that varies by jurisdiction within the CVRD is the amount of parking required by each jurisdiction's zoning bylaw for multi-family developments. A higher parking requirement means more extensive and therefore more expensive underground parking for the same number of apartment units. Duncan and electoral area D have the lowest parking requirements. Soft costs also vary by jurisdiction, including servicing connection costs, residential tax rates, development permit fees, building permit fees and development cost charges (DCC) or equivalent expenses. Note that Ladysmith has higher DCCs than the other municipalities.

See Appendix I Table 65: Selected costs that vary by jurisdiction within the CVRD.

The economic price refers to the lowest sale price or rental rate per unit that a builder could afford to charge while still achieving a minimal level of profit. On a per-unit basis, it is most expensive to build single-detached homes, followed by townhomes and then apartments:

- The economic price of a single-detached home in the CVRD is about \$650,000 throughout the region but more expensive in Ladysmith (\$666,000) due to higher DCCs.
- The economic price of a townhouse in the CVRD is about \$450,000 throughout the region but more expensive in Ladysmith (\$461,000) due to higher DCCs.
- The economic price of apartments varies more significantly throughout the region due to varying parking requirements. It is lowest in Duncan (\$293,000), followed by the electoral areas and Lake Cowichan (\$310,000–\$320,000) and highest in Ladysmith (\$340,000).
- The economic monthly rent for townhomes is about \$1,670 throughout the region (\$1,705 in Ladysmith). The economic rent for apartments ranges from \$1,090 in Duncan to \$1,240 in Ladysmith.

To produce an estimate of the minimum income that would allow a household to purchase or rent one of these new units without spending more than 30% of its household income, the following assumptions are used:

Purchasers will have a mortgage with the following characteristics:

- 20% down payment
- 3.5% stated annual interest rate
- 25-year amortization

Owners and renters will both pay additional housing expenses as detailed in our methodology, including utilities and property taxes.

See Appendix I Table 66–67: The most affordable new units by type and jurisdiction in 2020 and 2025 and Table 68–69: Minimum household income required to afford purchase or rent of new home by unit type and jurisdiction in 2020 and 2025.

The household income that would be required to purchase or rent a new unit, paying no more than 30% of one’s income on housing expenses, and the percentage of the CVRD’s current households (2019) that could afford that housing option was calculated:

- To purchase a new single-detached home in the region would require \$116,000–\$126,000 of annual household income, and about 26% of households could afford to do so. This ranges from as low as 9% in Duncan to 36% in electoral area B.
- To purchase a new townhouse in the region would require \$83,000–\$90,000 of annual household income, and about 43% of households could afford to do so. This ranges from as low as 20% in Duncan to 56% in electoral area B.
- To purchase a new apartment in the region would require \$62,000–\$68,000 of annual household income, and about 57% of households

could afford to do so. This ranges from as low as 37% in Duncan to 69% in electoral area B.

- To rent a new townhouse in the region would require \$76,000–\$78,000 of annual household income, and about 49% of households could afford to do so. This ranges from as low as 27% in Duncan to 61% in electoral area B.
- To rent a new apartment in the region would require \$53,000–\$59,000 of annual household income, and about 63% of households could afford to do so. This ranges from as low as 44% in Duncan to 73% in electoral area B.

For each of these categories, note that this is the least affluent demographic that could be served by the new-build market. If supply constraints exist and less housing is built, then that new housing will go to the highest bidder, increasing the price and income required to avoid core housing need.

The economic price of new homes in the CVRD in 2025 was also projected based on the escalation assumptions.

Compared to 2020, the price of construction in 2025 is expected to increase so that:

- The economic price of a single-detached home in the CVRD will be about \$746,000 throughout the region but more expensive in Ladysmith (\$765,000) due to higher DCCs.
- The economic price of a townhouse in the CVRD will be about

\$525,000 throughout the region but more expensive in Ladysmith (\$539,000) due to higher DCCs.

- The economic price of apartments will be lowest in Duncan (\$332,000), followed by the electoral areas and Lake Cowichan (\$351,000–\$363,000) and highest in Ladysmith (\$385,000).
- The economic monthly rent for townhomes will be about \$2,035 throughout the region (\$2,075 in Ladysmith).
- The economic rent for apartments will range from \$1,290 in Duncan to \$1,470 in Ladysmith.

The household income that would be required to purchase or rent a new unit in 2025, paying no more than 30% of one's income on housing expenses, and the percentage of the CVRD's projected households (2025) that could afford that housing option was calculated:

- To purchase a new single-detached home in the region will require \$132,000–\$143,000 of annual household income. About 27% of households will be able to afford to do so under the rapid recovery scenario versus 23% in the slow recovery scenario. This ranges from as low as 18% or 8% in Duncan to 36% or 33% in electoral area B.
- To purchase a new townhouse home in the region will require \$96,000–\$104,000 of annual household income. About 44% of households will be able to afford to do so under the rapid recovery scenario versus 40% in the slow recovery scenario. This ranges from as low as 21% or 18% in Duncan to 55% or 53% in electoral area B.
- To purchase a new apartment home in the region will require \$69,000–\$76,000 of annual household income. About 62% of households will

be able to afford to do so under the rapid recovery scenario versus 58% in the slow recovery scenario. This ranges from as low as 43% or 38% in Duncan to 73% or 70% in electoral area B.

- To rent a new townhouse in the region will require \$91,000–\$93,000 of annual household income. About 49% of households will be able to afford to do so in the rapid recovery scenario versus 45% in the slow recovery scenario. This ranges from as low as 27% or 24% in Duncan to 60% to 57% in electoral area B.
- To rent a new apartment in the region will require \$61,000–\$68,000 of annual household income. About 66% of households will be able to afford to do so in the rapid recovery scenario versus 62% in the slow recovery scenario. This ranges from as low as 48% or 43% in Duncan to 76% to 73% in electoral area B.

In conclusion, the capacity of the region's households to afford new construction will tend to increase slightly in the rapid recovery scenario and tend to decrease slightly in the slow recovery scenario. The overall difference between the two scenarios is not huge, suggesting that the region's housing market is unlikely to be severely impacted by COVID-19. Townhomes will tend to increase in cost faster than the region's incomes, and apartments will increase in cost more slowly: this is probably the result of patio homes (a particularly desirable type of townhome) being in such short supply and high demand versus apartments, which are much less desirable in this part of Vancouver Island.

GLOSSARY



ADEQUATE HOUSING: Adequate housing is reported by their residents as not requiring any major repairs.

AFFORDABLE HOUSING: Affordable housing has shelter costs equal to less than 30% of total before-tax household income.

AFFORDABLE OWNERSHIP: Units available for purchase that are price controlled (e.g., a unit created by a non-profit housing corporation that may have restrictions on who can buy it [residency, income, etc.] and that has restrictions on the price it can be sold for) or those available for programs that reduce the cost to eligible purchasers (e.g., BC's Affordable Homeownership Program or the Government of Canada's First-Time Home Buyer Incentive).

APARTMENT: A dwelling unit attached to other dwelling units, commercial units or other non-residential space in a building. These may be of any tenure, including purpose-built rental or strata.

ASSISTED LIVING: A type of housing for seniors and people with disabilities that includes on-site hospitality and personal-care support services.

ATTAINABLE HOUSING: Housing that is adequate, suitable and affordable for community members across the housing continuum.

CONGREGATE HOUSING: Single building with several rooms or units and common areas and which also includes on-site programming.

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 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.

DUPLEX: One of two dwellings, located one above the other or side by side, that may or may not be attached to other dwellings or buildings. Includes what is typically referred to as "secondary suites" in houses.

EMERGENCY SHELTER: Immediate, short-stay housing for people who are homeless or at risk of becoming homeless.

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.

HOUSING WITH SUPPORTS: Housing that includes on-site services such as meals, housekeeping, health care, counselling and others.

INDEPENDENT SOCIAL HOUSING: Independent housing for low to moderate income households where minimal or no additional services are provided.

LOW-BARRIER HOUSING: Housing where a minimum number of expectations are placed on people who wish to live there. The aim is to have as few barriers as possible to allow more people access to housing.

MARKET OWNERSHIP: Units available for purchase in the private market without subsidy provided by the government.

MARKET RENTAL: Units available for rent in the private market without subsidy provided by the government.

MOVABLE DWELLING: Includes mobile homes and other movable dwellings such as houseboats and railroad cars. Mobile homes are a single dwelling, designed and constructed to be transported on its own chassis and capable of being moved to a new location on short notice. It may be placed temporarily on a foundation pad and may be covered by a skirt.

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.

PURPOSE-BUILT RENTAL: Units in privately initiated, purpose-built rental structures of three units or more.

RENT ASSISTANCE IN THE PRIVATE MARKET: Housing subsidy provided to help make private market rents affordable for low to moderate income households. Often targeted to specific types of households, such as low-income families and seniors with low to moderate incomes.

ROW HOUSE: One of three or more dwellings joined side by side (or occasionally side to back), such as a townhouse or garden home, but not having any other dwellings either above or below. Townhouses attached to a high-rise building are also classified as row houses.

SAFE HOUSE: A type of temporary housing for women and children fleeing violence, where a transition house is not available in the community.

SECONDARY RENTAL: Any rental property with only one or two self-contained residential rental units, including units within dwellings.

SEMI-DETACHED HOUSE: One of two dwellings attached side by side (or back to back) to each other, but not attached to any other dwelling or structure (except its own garage or shed). A semi-detached dwelling has no dwellings either above it or below it, and the two units together have open space on all sides.

SINGLE-DETACHED HOUSE: A single dwelling not attached to any other dwelling or structure (except its own garage or shed). A single-detached house has open space on all sides and has no dwellings above it or below it. A mobile home fixed permanently to a foundation is also classified as a single-detached house.

SUBSIDIZED HOUSING BUILDING: A housing development that the government or a non-profit housing partner owns and operates.

SUITABLE HOUSING: Suitable housing has enough bedrooms for the size and composition of resident households according to National Occupancy Standard (NOS) requirements.

TEMPORARY EMERGENCY HOUSING: Immediate emergency short-term housing or shelter for people who are homeless or at risk of becoming homeless. For example, using hotels or tent cities to shelter people during the COVID-19 pandemic.

TRANSITION HOUSES: A type of temporary housing for women and children fleeing violence. A safe, anonymous place to stay with food, staff and services.

TRANSITIONAL SUPPORTIVE AND ASSISTED LIVING: A type of housing for residents for between 30 days and three years. It aims to transition individuals to long-term, permanent housing.

SOURCES

In the glossary of terms, assisted living, congregate housing, emergency shelter, housing for the homeless, housing with supports, independent social housing, non-market rental, rent assistance, safe house, subsidized housing building, transition houses, transitional supportive housing and in the private market are based on definitions provided by BC Housing.

Purpose-built rental and secondary rental are based on definitions provided by Canada Mortgage Housing Corporation (CMHC).

Low-barrier housing is based on definitions provided by Here to Help BC.

Adequate housing, affordable housing, apartment, core housing need, duplex, movable dwelling, row house, semi-detached house, single-detached house and suitable housing are based on definitions provided by Statistics Canada.

Endnotes

- 1 Environics Analytics (2019) Demostats Income and Housing Projections
- 2 rennie (2019). Long-range Projections of Population, Housing, and Employment in the Cowichan Valley Regional District
- 3 Note that except for the highest category (\$200,000+), each income bracket shown here uses a \$10,000 range (for example \$120,000–\$129,000) because this approach improves clarity and legibility as the categories may be directly compared. GPRC achieved this effect by “smoothing” the census data: the categories shown here add up to the same totals as the census data and are simply divided into logical sub-totals to produce a smooth curve.
- 4 “Real” here means that currency inflation is removed so that household incomes can be compared directly between time periods because they have been brought to parity in terms of true spending power.
- 5 Owner households with a mortgage below this threshold (or within this threshold in the case of a range) are likely to spend more than 30% of their household income on housing.
- 6 If housing expenses cost more than 30% of a household’s income, that household falls below the affordability standard.



ELECTORAL AREA A
MILL BAY / MALAHAT

ELECTORAL AREA B
SHAWNIGAN LAKE

ELECTORAL AREA C
COBBLE HILL

ELECTORAL AREA D
COWICHAN BAY

ELECTORAL AREA E
COWICHAN / KOKSILAH

ELECTORAL AREA F
COWICHAN LAKE SOUTH /
SKUTZ FALLS

ELECTORAL AREA G
SALT AIR / GULF ISLANDS

ELECTORAL AREA H
NORTH OYSTER / DIAMOND

ELECTORAL AREA I
YOUNBOU / MEADE CREEK

REGIONAL HOUSING NEEDS ASSESSMENT

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VALLEY REGIONAL DISTRICT (CVRD.CA)**

