

Cowichan Valley Regional District Town of Ladysmith Housing Needs Assessment Data Report



BACKGROUND.....	1
KEY FINDINGS	2
1. Demographic Profile.....	2
2. Income and Economy.....	3
3. Housing Profile	3
4. Projections.....	4
5. Housing Needs.....	4
6. Affordability of New Development.....	5
THE FINDINGS.....	6
1. Demographic Profile.....	6
2. Income and Economy.....	10
3. Housing Profile	12
4. Projections.....	16
5. Housing Needs.....	18
6. Affordability of New Development.....	23

BACKGROUND

The Cowichan Valley Regional District (CVRD) is developing a Regional Housing Needs Assessment in partnership with its member municipalities and nine electoral areas. A housing needs assessment will help us understand what kinds of housing are most needed in our region's communities now and in the future, which will help inform the official community plan and development decisions.

Effective April 16, 2019, the Province of British Columbia (BC) requires all local governments to complete housing needs reports for their communities by April 2022 and every five years thereafter. These reports will help local governments and the BC government better understand and respond to housing needs in communities throughout the province. As a basis for determining current and projected housing needs, local governments are required to collect approximately 50 kinds of data about current and projected population, household income, significant economic sectors, and currently available and anticipated housing units. This information has been collected for each of 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
- 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

One report has been prepared for the region, one for each electoral area and one for each of the four municipalities within the CVRD. Each report will include the following sections:

1. Demographic Profile
2. Income and Economy
3. Housing Profile
4. Projections
5. Housing Needs
6. Affordability of New Development

The regional report provides additional information, such as a glossary of terms, project overview and context, a description of the housing spectrum and a detailed description of the methodology.

This report now turns to a summary of the key findings in the six areas listed above. This is followed by a comprehensive review of the findings in the six areas. The tables and figures to support the research are listed in Appendix I.

TOWN OF LADYSMITH

The Town of Ladysmith is one of four member municipalities in the CVRD and is the second largest municipality, with a population of 8,360. Ladysmith is a relatively compact community with a mix of uses, a well-established street grid and a vibrant downtown.

Ladysmith has a demographic and housing profile very similar to the CVRD's as a whole. It is the most affluent of the four municipalities, with a median household income of \$67,584 in 2016.

Ladysmith has a slightly lower share of renter households than the region. It contains a higher proportion of ground-oriented multi-unit dwellings and apartments than the region, and a higher share of movable dwellings than any other municipality in the CVRD.

Interviews with 11 local developers and realtors indicate that housing demand in Ladysmith is greater than supply at present. Ladysmith is projected to grow from 8,762 residents in 2019 to 10,063 residents in 2025, an increase of 15% in six years. Given the projected population growth and household size, this report's analysis estimates that there is a need for 510 units of new housing in Ladysmith in the next five years with a particular need for one-bedroom units.

KEY FINDINGS

The key findings are presented in six key areas: Demographic Profile, Income and Economy, Housing Profile, Projections, Housing Needs and Affordability of New Development. The findings are provided in greater detail within this report in the Findings section.

1. Demographic Profile

- **Population:** From 2006 to 2016, Ladysmith increased in population by 13%, from 7,390 to 8,360. Ladysmith is the second largest municipality and third largest jurisdiction in the CVRD.
- **Age:** Ladysmith's average age is slightly older than the regional average and increased from 42.5 to 46.4 from 2006 to 2016. This rate of aging is the same as the CVRD's.
- **Household size:** Ladysmith has an average household size similar to the CVRD, and this showed no significant change from 2006 to 2016, remaining at 2.3 people per household.
- **Tenure:** Ladysmith has a slightly lower share of renters (at 19%) compared to the CVRD. This share has remained consistent from 2006. Ladysmith is the only municipality in the CVRD with a share of renters lower than that of the region. Ladysmith has a slightly higher share of renter households in subsidized housing than the CVRD, but this has decreased from 5% in 2011 to 3% in 2016.
- **Unhoused population:** In Ladysmith in the 2017 Summer Point-in-Time Homeless Count and Homeless Needs Survey Community Report, there were five people counted as absolutely homeless, one person surveyed as hidden homeless and 11 people surveyed as at-risk of being homeless.
- **Transportation:** As a relatively compact community with a mix of uses, a well-established street grid and a vibrant downtown, Ladysmith has many of the right ingredients to reduce car dependency and transportation costs for households. However, few convenient bus routes, hilly terrain and little in the way of active transportation infrastructure means less expensive transportation options, like biking and taking transit, are not ideal. Transportation costs in Ladysmith could likely be reduced with improvements to transportation infrastructure that emphasize more active modes of transportation, including transit.

2. Income and Economy

- **Household income:** Ladysmith's median household income (\$67,584 in 2016) is close to the regional median. After inflation is removed from the analysis, Ladysmith shows no change in median household income between 2006–2016. Ladysmith exhibits slightly less income inequality between tenure groups than the CVRD.
- **Employment:** Ladysmith's participation rate is very close to the CVRD's, declining from 58% to 57% from 2006 to 2016. Ladysmith's unemployment rate is consistently below that of the region, increasing slightly from 5.8% in 2006 to 6.3% in 2016.
- **Industry:** Within the CVRD, the labour force is somewhat geographically clustered. Ladysmith's labour force is similar to that of the region's, although it does include notably few construction workers.

3. Housing Profile

- **Dwelling types:** 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. While single-detached homes (68% of units) are the largest portion of the housing supply, Ladysmith also includes a greater share of apartments (10% of units) and ground-oriented multi-unit dwellings—which include semi-detached units (6%), row houses (7%) and apartments in duplexes (2%)—than the electoral areas or the CVRD. Ladysmith includes a greater share of movable dwellings (7%) than any other municipality in the CVRD. Ladysmith had higher levels of growth than the CVRD, increasing by 16% from 3,185 units in 2006 to 3,710 units in 2016.
- **Dwelling age:** Ladysmith has an older housing stock than the CVRD, with dwellings older than 1961 making up 24% of the housing stock.
- **Bedroom number:** The CVRD has a much higher share of three-bedroom units and a much lower share of one-bedroom units than BC. Ladysmith has a lower share of one-bedroom units and a higher share of three-bedroom units than the CVRD.
- **Non-market housing:** In Ladysmith, 116 households are subsidized by BC Housing, including 45 units and 71 households receiving rent assistance in the private market. There is a particular focus on seniors in Ladysmith, with 27 units of supportive seniors housing, 18 independent social housing units for low-income seniors and 56 households receiving rent assistance for seniors.
- **Market rental housing:** The most common number of bedrooms for a rental unit in Ladysmith is two bedrooms (35%) followed by three bedrooms (30%), then one bedroom (26%), with smaller numbers of four-bedrooms (6%). Ladysmith has higher rental rates compared to Duncan, and rental rates similar to North Cowichan, with an average rent of \$950 (compared to \$940 for the CVRD). Among renters throughout the CVRD, lower-income households spend a greater share of their income on rent and utilities.
- **Market ownership housing:** From 2007 to 2011, the average value of non-rental apartments in Ladysmith was greater than that of single-detached homes. This unusual circumstance was probably the result of some recently constructed apartments. From 2012 onward, single-detached homes were the most desirable and expensive form of housing, followed by apartments, townhouse and duplex units, and finally manufactured homes. Prices increased between 2007 and 2008, but then this market saw price stability from 2008 to 2017 as Vancouver Island's economy gradually recovered from the financial crisis of 2008. From 2017 to 2019, prices increased considerably each year for all unit types.

4. Projections

- **Households projection:** Between 2019 and 2025, Ladysmith is expected to grow from 3,843 households to 4,353 households, an increase of 13% in six years.
- **Population projection:** Between 2019 and 2025, Ladysmith is expected to grow from 8,762 residents to 10,063 residents, an increase of 15% in six years.
- **Household income projection:** Due to the uncertainty of the COVID-19 pandemic, 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), Ladysmith is expected to have a median household income of \$90,772 in the rapid recovery scenario or \$85,289 in the slow recovery scenario.
- **Tenure projection:** Based on the income projection, the split of Ladysmith households by tenure will shift slightly toward owners in the rapid recovery scenario (to 18% renter households and 82% owner households) but not appreciably in the slow recovery scenario (remaining at 19% renter households and 81% owner households).

5. Housing Needs

- **Projection of housing need by number of bedrooms:** It is projected that in 2025 Ladysmith will need an additional 510 units of housing, most of which should be one-bedroom units. *See Table 1: Ladysmith projection of units needed 2020 and 2025.*
- **Homelessness:** Those seeking emergency shelter and supportive services frequently travel to centres where programs and services exist. Ladysmith has a number of services, including the Ladysmith Resource Centre, a food bank, a local soup kitchen and an Extreme Weather Shelter. There is 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. Many respondents felt that supportive services were needed to address concurrent afflictions, like mental health issues and addiction.
- **Non-market housing:** The market will struggle to provide new housing that is affordable for lower-income households in Ladysmith. Households with incomes below approximately \$59,000 will not be able to afford renting new market rental homes in Ladysmith.
- **Market rental housing:** Renter households in Ladysmith making less than \$39,400 per year tend to spend more than 30% of their annual income on housing expenses, placing these households in core housing need. This analysis suggests that 35% of Ladysmith's renter households are currently in core housing need and 11% are in extreme core housing need. This is a slight improvement compared to the rates reported in the previous few censuses (44% in 2006, 41% in 2011 and 31% in 2016). Engagement results identified a need for more rental options. In particular, young families, youth, Indigenous people, those with mental health challenges, singles and seniors face additional pressure to find rental housing.
- **Market ownership:** Owner households without mortgages are not spending more than 30% of their incomes on housing expenses. The majority of owner households with mortgages in Ladysmith making below \$50,400 per year spend more than 30% of their annual income on housing expenses, placing these households in core housing need. This analysis suggests that 16% of Ladysmith's owner households are currently in core housing need, in line with the rates evident in recent censuses (14% in 2006 and 15% in 2011 and 2016).

- **Historic and current housing condition (adequacy):** Adequacy of housing in Ladysmith is slightly better than in the CVRD and British Columbia, with 6% of households living in housing below adequacy standards in 2016. Compared to the CVRD, adequacy of housing is similar for owners (4%) and slightly better for renters (8%). Adequacy of housing has improved for owners and renters since 2006.
- **Historic and current overcrowding (suitability):** Compared to the CVRD, Ladysmith has similar levels of suitability for owners (1%) and slightly better suitability for renters (5%). More renters than owners experience overcrowding.
- **Historic and current affordability:** Affordability in Ladysmith is similar for owners (15%) and better for renters (31%), to produce an overall share of 18% of households across tenures experiencing affordability challenges. Affordability remained at similar levels for owners but improved for renters from 2006–2011. Renters face significantly greater affordability challenges than owners.
- **Core housing need and extreme core housing need:** A significant number (19%) of Ladysmith’s households are currently in core housing need. This is in line with trends reported in the last several censuses (20% in 2006, 21% in 2011 and 18% in 2016).

6. Affordability of New Development

- **Financial Analysis Results:** The analysis reviewed incomes required and percentages of households who will be able to afford buying or renting in new developments in Ladysmith in 2020 and 2025.

Based on a calculation of 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, the capacity of Ladysmith’s households to afford new construction was calculated. This capacity will increase slightly in the rapid recovery scenario and decrease slightly in the slow recovery scenario; however, the overall difference between the two scenarios is not huge, suggesting that Ladysmith’s housing market is unlikely to be severely impacted by the COVID-19 pandemic.

In Ladysmith, the cost of constructing new townhomes will increase faster than the region’s incomes, and the cost of constructing new apartments will tend to increase more slowly. This is probably the result of land price increases for patio homes (a particularly desirable type of townhome) being in such short supply and in higher demand than apartments.

THE FINDINGS

Introduction to the Work

The following section of the report presents the full findings organized by six key topic areas:

1. Demographic Profile
2. Income and Economy
3. Housing Profile
4. Projections
5. Housing Needs
6. Affordability of New Development

The tables and figures that accompany these results can be found in Appendix I.

1. Demographic Profile

The following demographic profile presents historic data for Ladysmith as collected from the Statistics Canada Census, Summer Point-in-Time Homeless Count, Homeless Needs Survey Community Report and BC Transit.

1.1 Population

From 2006–2016, BC grew in population from 4.1 million to 4.6 million, an increase of 12%. By comparison, the CVRD grew somewhat slower, from 75,000 to 82,000 for a total of 8% growth during this decade. Within the CVRD, Ladysmith increased in population by 13%, from 7,390 to 8,360 residents, faster than the rate of growth across the CVRD as a whole.

See Table 2: Population over time from 2006–2016 and Figure 1: Five-year and ten-year population growth by jurisdiction from 2006–2016.

Ladysmith is the third most populous municipality, smaller than just North Cowichan and electoral area B. From 2006 to 2016, Ladysmith's share of the region's overall population remained at 10%.

See Table 3: Share of CVRD population over time from 2006–2016.

1.2 Age

From 2006 to 2016, the average age in British Columbia increased from 39 to 42. The CVRD is older than British Columbia and increased in average age from 41.4 to 45.3 during this decade.

In terms of age, Ladysmith is slightly older than the average across the CVRD. Its average age increased from 42.5 to 46.4 between 2006 and 2016.

See Table 4, Table 5 and Table 6 and Figure 2: Average age by jurisdiction over time from 2006–2016.

Ladysmith has an age distribution slightly older than the CVRD, with 26% of the population 65 years or older (23% of the CVRD's population is 65 years or older). In Ladysmith, 2% of the population is 85 years or older, the same share as the CVRD.

Ladysmith has a percentage of children (aged 0–14) similar to both the CVRD (15%) and British Columbia (15%) at 15% of its population. Ladysmith also has a similar share of residents 15–19 years old (5% of its population) compared to the CVRD (5%) and British Columbia (6%), and a

slightly lower share of residents aged 20–24 years old at 3% of its population (compared to 4% in the CVRD and 6% in British Columbia).

1.3 Household Size

Household sizes in British Columbia and throughout the CVRD decreased from 2006. Household sizes in Ladysmith are similar (at 2.3 people per household) to those in the CVRD (2.3 people per household). Average household size saw no significant change between 2006 and 2016.

See Table 7, Table 8 and Table 9: Distribution of households by number of persons between 2006–2016 and Figure 3: Average household size by jurisdiction over time from 2006–2016.

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

1.4 Tenure

During the decade under analysis, renters as a share of all households in British Columbia increased from 30% to 32%. A smaller share of households in the CVRD are renters, but the same upward trend is present: renters increased from 20% to 22% of all households. Ladysmith has a smaller share of renters (at 19%) compared to the CVRD. This share has remained consistent from 2006. Ladysmith is the only municipality in the CVRD with a share of renters lower than that of the region.

See Table 10 and Figure 4: Share of households renting from 2006–2016.

As a share of all households, renter households in subsidized housing in British Columbia made up about 4% in both 2011 and 2016 (2006 data is unavailable for this variable). They make up a lower and decreasing share of households in the CVRD (from 3% in 2011 to 2% in 2016). Ladysmith has a slightly higher share of renter households in subsidized housing than the CVRD, but this has decreased from 5% in 2011 to 3% in 2016.

See Table 11 and Figure 5: Renters in subsidized housing as share of total households from 2011–2016.

1.5 Unhoused Population

Homelessness data for Ladysmith is available at a finer detail than for other jurisdictions across the CVRD. The Summer Point-in-Time Homeless Count and Homeless Needs Survey Community Report completed in 2017 included five count sites, one of which is Ladysmith. 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.

Of the people counted as absolutely homeless, 5.6% were in Ladysmith.

In Ladysmith in the 2017 Summer Point-in-Time Homeless Count and Homeless Needs Survey Community Report, there were five people counted as absolutely homeless, one person surveyed as hidden homeless and 11 people surveyed as at-risk of being homeless. Examples of hidden homelessness include people staying with family or friends (e.g., couch surfing), staying in trailers or cars, or accessing transitional or temporary housing.

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. While not as large as the Duncan and North Cowichan core area, Ladysmith has a number of services, including the Ladysmith Resource Centre, the food bank and a local soup kitchen. Following a tragic death of a man in 2013, local residents came together to form a Homeless Action Committee and opened an Extreme Weather Shelter in 2015.

Across the CVRD, the Summer Point-in-Time Homeless Count and Homeless Needs Survey Community Report indicated that abuse and conflict¹ 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.

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.

1.6 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 Ladysmith, approximately 92% of commuters used a private automobile to get to work in 2016. Travelling to work by car took an average of 23 minutes (one-way) and those who took the bus travelled an average of 47 minutes (one-way).

Ladysmith is served by three bus routes (Routes 31, 34 and 36). The 31 meanders through the town's various neighbourhoods, while the 34 and 36 are connecting routes that link residents to Chemainus (34) and Duncan (36). Frequencies are low with the 31 running six times per weekday, and both the 34 and 36 only running four times per weekday. Ridership is also low compared to other incorporated municipalities with the 34 and 36 routes reaching just above 7,000 rides each per year.

See Table 12: Annual rides and trips by bus route in the CVRD in 2019.

The Town of Ladysmith is a relatively compact community with a mix of uses that ensures daily needs can be met within close proximity of home. The core of Ladysmith is also characterized by a well-established street grid and a vibrant downtown full of commercial activity, which would make walking and biking convenient. It is worth noting that some steep grade changes would be better suited for e-bikes.

The town has many of the right ingredients to reduce car dependency and transportation costs for households. However, few convenient bus routes and little in the way of active transportation infrastructure means less expensive transportation options, like biking and taking transit, are not ideal. Many residents thus require a car to perform their daily activities. This means transportation costs in Ladysmith are high due to existing car dependence, but they could very likely be reduced

with improvements to transportation infrastructure that emphasize more active modes of transportation, including transit.



2. Income and Economy

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

2.1 Household Income

Median annual household income in both British Columbia 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 the province's median income has increased: BC was about \$2,000 per year per household more affluent than the CVRD in 2006 and in 2016 was about \$5,000 per year per household more affluent.

See Table 13, Table 14 and Table 15: Share of households by annual income 2006–2016 and Figure 6: Median annual household income from 2006–2016.

Within the CVRD, Ladysmith had a median household income of \$67,584 in 2016, close to the regional median and increasing from 2006 to 2016.

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 (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.

After inflation is removed from the analysis, median household incomes in BC and in Ladysmith show basically no change between 2006 and 2016. In the CVRD, median incomes experienced a downward trend.

See Table 16 and Figure 7: Median real annual household income (constant 2019 dollars) from 2006–2016.

Compared to all households, households in this jurisdiction that own their own homes are wealthier, but the broad differences in wealth between jurisdictions are approximately the same. Ladysmith is close to the regional trend, with a median household income for owner households of \$76,470 increasing from 2006 to 2016.

See Table 17, Table 18 and Table 19: Share of owners households by annual income 2006–2016 and Figure 8: Median annual household income among owner households from 2006–2016.

Compared to renters in BC, renters in the CVRD are less affluent (about \$38,000 for CVRD renters versus about \$46,000 for BC renters; about \$65,000 for CVRD households versus about \$70,000 for BC households).

Median renter incomes in Ladysmith are close to the regional trend, with a median household income for renter households of \$40,662, increasing from 2006 to 2011.

See Table 20, Table 21 and Table 22: Share of renter households by annual income and Figure 9: Median annual household income among renter households from 2006–2016.

The ratio of owner to renter income, which is a rough indicator of the degree of income inequality between these two groups, was calculated. A higher ratio indicates more pronounced inequality. By this measure, the CVRD exhibits slightly more inequality between tenure groups than BC in general. Ladysmith exhibits slightly less income inequality between tenure groups than the CVRD.

See *Figure 10: Median income in 2016 by household tenure.*

2.2 Employment

Participation in the labour force during this decade was higher in BC than in the CVRD and declined from 66% to 64% in BC and from 60% to 57% in the CVRD. Within the CVRD, Ladysmith is similar to the regional trend, with its participation rate declining from 57.9% in 2006 to 56.9% in 2016, with a high of 59.2% in 2011.

See *Table 23: Labour force (employed or unemployed but seeking employment) from 2006–2016, Table 24: Participation rate (labour force as share of working-age population) from 2006–2016 and Figure 11: Participation rate over time from 2006–2016.*

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. 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%). Ladysmith's unemployment rate is consistently below that of the region as a whole, increasing slightly from 5.8% in 2006 to 6.3% in 2016.

See *Table 25: Unemployment rate (share of labour force unemployed) from 2006–2016 and Figure 12: Unemployment rate over time from 2006–2016.*

2.3 Industry

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. Ladysmith's labour force is similar to that of the region as a whole, although it does have notably few construction workers.

See *Table 26, Table 27 and Table 28: Share of labour force by industry sector in 2016.*

3. Housing Profile

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

3.1 Dwelling Types

From 2006 to 2016, British Columbia's housing units used as usual residences grew from about 1.6 million to about 1.9 million, an increase of about 15%. By comparison, the CVRD's housing units used as usual residences grew slower from 31,000 to 35,000 for a total of 13% growth during this decade. In Ladysmith, the number of dwelling units used as usual residences increased by 16% from 3,185 units in 2006 to 3,710 units in 2016, exhibiting higher levels of growth than the region.

See Table 28: Housing units by jurisdiction over time from 2006-2016 and Figure 13: Five-year and ten-year housing supply growth by jurisdiction from 2006–2016.

These trends are all similar to trends in population, except that household sizes in BC and the CVRD are decreasing, so housing supply has increased faster (or decreased slower) than population.

Along with other municipalities, Ladysmith has a greater share of ground-oriented multi-unit dwellings than the electoral areas, as well as a higher share of apartments and a lower share of single-detached houses. This means that Ladysmith has a higher-density housing composition than the CVRD, breaking down as follows:

- Single-detached homes are the largest portion of the housing supply at 68% of the housing stock.
- Apartments make up the next largest portion of the housing stock, at 10% of units.
- Ground-oriented multi-unit dwellings make up a significant portion of the housing stock, including semi-detached units (6% of units), row houses (7%) and apartments in duplexes (2%).
- Movable dwellings make up 7% of the housing stock, more than any other municipality in the CVRD.

This housing composition did not significantly change from 2006 to 2016.

See Table 30, Table 31 and Table 32: Share of total housing units by type 2006–2016 and Figure 14: Housing units by type over time in Ladysmith from 2006–2016.

3.2 Dwelling Age

In 2016, BC and the CVRD had similar distributions of dwellings by age with dwellings in the CVRD being only slightly older:

- Built before 1960: 14% in BC and 17% in the CVRD
- Built 1961–1980: 30% in BC and 28% in the CVRD
- Built 1981–1990: 15% in BC and 14% in the CVRD
- Built 1991–2000: 18% in BC and 20% in the CVRD
- Built 2001–2005: 7% in BC and 6% in the CVRD
- Built 2006–2010: 9% in BC and 9% in the CVRD
- Built 2011–2016: 7% in BC and 5% in the CVRD.

In summary, about 60% of dwellings were built before 1990.

Ladysmith has an older housing stock than the CVRD, with dwellings older than 1961 making up 24% of the housing stock.

- Built before 1960: 24%
- Built 1961-1980: 21%
- Built 1981-1990: 9%
- Built 1991-2000: 22%
- Built 2001-2005: 7%
- Built 2006-2010: 11%
- Built 2011-2016: 6%

See Table 33: Share of dwellings by year of construction in 2016 and Figure 15: Composition of housing stock by age of construction and jurisdiction in 2016.

3.3 Bedroom Number

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

Compared to the CVRD, Ladysmith has a lower share of one-bedroom units (5%) and a higher share of three-bedroom units (41%). Four-bedroom units make up 27% of the housing stock and one-bedroom units make up 26% of the housing stock.

See Table 34, Table 35 and Table 36: Share of housing units by bedroom count 2006–2016 and Figure 16: Composition of housing stock by room count and jurisdiction in 2016.

3.4 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 from left to right 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 majority of BC Housing support in the CVRD.

In Ladysmith, 116 households are subsidized by BC Housing, including 45 units and 71 households receiving rent assistance in the private market. This includes:

- 27 units in the transitional supported and assisted living category, all of which are for supportive seniors housing.
- 18 units in the independent social housing category, all of which are for low-income seniors.

In addition, 71 households are provided rent assistance in the private market, 56 of which are comprised of seniors. There is an overall focus on seniors in BC Housing's funding for Ladysmith.

See Table 37: Number of units under BC Housing Administration by Service Allocation Group in 2020.

3.5 Market Rental Housing

The Canadian Rental Housing Index identifies some additional rental market characteristics for 2016 not present in the census data for Duncan, North Cowichan and Ladysmith.

The most common number of bedrooms for a rental unit in Ladysmith is two bedrooms (35%) followed by three bedrooms (30%), then one-bedroom (26%) with smaller numbers of four-bedrooms (6%). Ladysmith has a higher share of three-bedroom units than North Cowichan or Duncan.

See Table 38: Number of renter households in the CVRD and Ladysmith from 2006–2016 and Table 39: Households by renter household income quartile and bedrooms in Ladysmith in 2016.

Ladysmith has higher rental rates compared to Duncan and rental rates similar to North Cowichan, although this is achieved differently. In Ladysmith, one-bedroom rentals are less expensive, and two-, three- and four-bedroom rentals are more expensive than in North Cowichan. North Cowichan has an average rent of \$950 compared to \$940 for the CVRD.

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. In Ladysmith, this means that renters in the lowest income quartile (with an income up to \$22,902) are spending 42% of their income on rent and utilities for a one-bedroom and 80% of their income for a two-bedroom.

See Table 40: Average rent by renter household income quartile and bedrooms in Ladysmith in 2016 and Table 41: Share of income spent on rent and utilities in Ladysmith in 2016.

Engagement results from Ladysmith respondents are consistent with the broader engagement results that suggest that the CVRD is in a state of acute rental shortage with almost no vacancy. Respondents share stories of facing barriers to finding rental options in Ladysmith due to rental restrictions, previous homelessness, owning pets and having young children.

3.6 Market Ownership Housing

The property assessment rolls were analyzed for the Town of Ladysmith. 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 considered 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.

See Table 42: Average value per dwelling unit by type in Ladysmith from 2007–2019 and Figure 17: Average value per dwelling other than purpose-built rental by type in Ladysmith over time from 2007–2019.

From 2007 to 2019, the average values of different residential property types in Ladysmith have tended to fluctuate 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.

From 2007 to 2011, the average value of non-rental apartments in Ladysmith (\$350,000–\$400,000) was greater than that of single-detached homes (\$300,000–\$325,000). This unusual circumstance was probably the result of some recently constructed apartments, as evidenced by the fact that apartment values decreased during this period while single-detached prices remained constant. From 2012 onward, single-detached homes were the most desirable and expensive form of housing (\$300,000–\$450,000), followed by apartments (\$250,000–\$350,000).

From 2007 to 2019, townhouse and duplex units had similar average values (\$200,000–\$350,000) below those of single-detached homes and apartments, while manufactured homes were consistently the least valuable type of housing (\$100,000–\$200,000).

Prices increased between 2007 and 2008, but then this market saw price stability from 2008 to 2017 as Vancouver Island’s economy gradually recovered from the financial crisis of 2008.

From 2017 to 2019, prices increased considerably each year for all unit types.

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 COVID-19 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.

4. 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.

4.1 Households Projection

Between 2019 and 2025, Ladysmith is expected to grow from 3,843 households to 4,353 households, an increase of 13% in six years, which would be somewhat less rapid than the 16% growth observed between 2006 and 2016. In comparison, the CVRD is expected to grow from 34,744 households to 39,967 households, an increase of 15% in six years.

See *Table 43: Projected households 2019–2025*.

4.1 Population Projection

Between 2019 and 2025, Ladysmith is expected to grow from 8,762 residents to 10,063 residents, an increase of 15% in six years, achieving a somewhat faster pace than the 13% growth observed between 2006 and 2016. By comparison, the CVRD is expected to grow from 80,404 residents to 93,071 residents, an increase of 16% in six years.

See *Table 44: Projected population 2019–2025*.

4.3 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 COVID-19, 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), Ladysmith is expected to have a median household income of \$90,772 in the rapid recovery scenario or \$85,289 in the slow recovery scenario.

See *Table 45: Estimated number of households by income bracket in 2019 and 2025 by scenario* and *Figure 18: Households in Ladysmith by income bracket in 2019 and in 2025 by scenario*.

4.4 Tenure Projection

Tenure is correlated with income: wealthier households tend to be homeowners and less affluent households tend to rent.

To create a projection of housing tenure, the split between owner households and renter households by realⁱⁱⁱ income group in 2019 and 2025 is assumed to resemble the split indicated in the 2016 Census in Ladysmith.

Compared to 2019, real income increases in both scenarios by 2025, but increases more rapidly in the rapid recovery scenario, causing the split of Ladysmith's households by tenure to shift slightly toward owners in the rapid recovery scenario (to 18% renter households and 82% owner households) but not appreciably in the slow recovery scenario (remaining at 19% renter households and 81% owner households).

See Table 46: Share of households renting in 2019 and in 2025 by scenario.

5. Housing Needs

The following section 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 and public and stakeholder engagement.

5.1 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.

In most CVRD jurisdictions, including Ladysmith, most households in both years need only one bedroom (2,535 households in 2019 and 2,919 households in 2025). The reason for this is that one bedroom of need corresponds with households that include one person and with households that include one couple, which according to the 2016 Census, comprise about 89% of two-person households in Ladysmith.

According to this definition of need, Ladysmith contains an over-supply of two-bedroom homes and homes containing three or more bedrooms since only 6% of the town's homes had one bedroom, 26% had two bedrooms and 68% 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 3% of households experiencing overcrowding: it is simply the case that despite the absolute surfeit of bedrooms, some households still have less than they need.

In 2025, it is projected that Ladysmith will need an additional 510 units of housing, most of which should be one-bedroom units.

See Table 47: Housing need by number of bedrooms in Ladysmith in 2019 and 2025.

5.2 Homelessness

A lack of emergency shelters and long-term options for those experiencing homelessness in the broader region was identified through interviews with housing and community organizations. 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 and community-level service centres where programs and services exist. While Duncan and North Cowichan core comprise the largest regional service centre in the CVRD, Ladysmith has a number of services including the Ladysmith Resource Centre, a food bank, a local soup kitchen and an Extreme Weather Shelter.

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. Many respondents felt that supportive services were needed in to address concurrent afflictions, like mental health issues and addiction.

5.3 Non-Market Housing

Given the calculation on affordability of new development, the market will struggle to provide new housing that is affordable for lower-income households. In the case of Ladysmith, households with incomes below approximately \$59,000 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.

The affordability of existing supply and continuing tenancies will depend principally on policies such as rent control legislation, vacant home taxes, and general housing supply growth. The affordability of non-market housing will depend on the magnitude of housing subsidies present.

5.4 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 Canadian 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 Table 48: Rental rates in Ladysmith in 2019 and Figure 19: Rental rates in the CVRD's electoral areas and Lake Cowichan in 2019.

Note also that the data presented in Table 48 and Figure 19 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 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 listed rental units will therefore tend to ask higher rents than those represented here, as these rates are varyingly 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.

Housing affordability for renter households was analyzed 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 in which jurisdictions.

As noted above, this is only an approximation. In reality, some households will occupy more expensive or less expensive homes than this assumption would assign to them. However, because homes are limited, if a household occupies a more affordable unit than this model would assign and therefore has lower housing costs, that means that another household has to occupy a more expensive unit than this model would assign, and therefore has higher housing costs. As

such, the deviations from this model that would exist in real life should cancel each other to produce something close to the averages indicated here.

Renter households in Ladysmith making less than \$39,400 per year tend to spend more than 30% of their annual income on housing expenses, placing these households in core housing need.

See Table 49: Estimated housing costs versus household income for renter households and Figure 20: Estimated housing costs versus household income for renter households in Ladysmith.

This analysis suggests that 35% of Ladysmith's renter households are in core housing need and 11% are in extreme core housing need. This is a slight improvement compared to the rates reported in the previous few censuses (38% in 2006, 42% in 2011 and 38% in 2016).

Engagement results identified the need for more rental options. In particular, young families, youth, Indigenous people, those with mental health challenges, singles and seniors face additional pressure to find rental housing.

5.5 Market Ownership

Combining the property assessment data with the income estimate allowed the relationship between income and housing expenses for owner households in Ladysmith to be estimated. This requires certain assumptions:

- The share of owner households with a mortgage in 2019 resembles the share indicated in the 2016 Census (61%).
- Renter households and owner households of the same income are likely to live in units with similar property value. That is, more affluent households of either tenure will live in higher-value units.
- Similarly, owner households with and without mortgages are assumed to occupy units of similar value.
- For the purposes of this analysis, housing expenses include:
 - mortgage payments, if applicable, using a 20% down payment, 3.5% interest rate, 25-year amortization and the property prices of ten years earlier (2009)
 - \$1,212 per year in hydro per household, the BC average
 - municipal service fees of \$465
 - strata and/or maintenance expenses of \$1,200 per year
 - property taxes, factoring the BC Homeowner's Grant.

As with renter households, housing affordability 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.

See Table 50: Estimated housing costs versus household income for owner households with mortgages.

See Figure 21: Estimated housing costs versus household income for owner households with mortgages in Ladysmith.

The majority of owner households with mortgages in Ladysmith making below \$50,400 per year spend more than 30% of their annual income on housing expenses, placing these households in core housing need. Owner households without mortgages were analyzed but found that according

to this model none of them would be spending more than 30% of their incomes on housing expenses.

This analysis suggests that 16% of Ladysmith's owner households are in core housing need, in line with the trend evident in recent censuses (14% in 2006 and 15% in 2011 and 2016).

5.6 Historic and Current Housing Condition (Adequacy)

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

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

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

Compared to the CVRD, the adequacy situation in Ladysmith is similar for owners (5% in 2016) and slightly better for renters (8% in 2016), with the share of households requiring major repair improving slightly for owners and improving significantly for renters.

See Table 51: Share of household by tenure below adequacy standard (major repairs required) from 2006–2016 and Figure 22: Share of household by tenure below adequacy standard (major repairs required) in 2016.

5.7 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%
- Average of 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%
- Average of all households: from 3% to 2%

In Ladysmith, there are similar levels of crowding for owners (1%) and slightly better levels for renters (5%) compared to the CVRD, to produce an overall share of 1% of households. A greater share of renters experience overcrowding compared to owners.

See Table 52: Share of households by tenure below suitability standard (overcrowded) from 2006–2016 and Figure 23: Share of households by tenure below suitability standard (overcrowded) in 2016.

5.8 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 18% to 17%
- For renters: from 34% to 35%
- Average of all households: from 23% to 22%.

Compared to BC, affordability in the CVRD is somewhat better for owners (from 15% in 2006 to 14% in 2016) and somewhat worse for renters (38% in 2006 and 2016 and 42% in 2011 during the recession), amounting to a slightly more favourable overall share of 19% of households across tenures experiencing affordability challenges in 2016.

Ladysmith is similar for owners and better for renters compared to the CVRD, with 15% of owners experiencing affordability challenges compared to 31% of renters, amounting to an overall share of 18% of households. Over twice the share of renters experience affordability challenges compared to owners. Affordability has remained at similar levels for owners (14% in 2006, 15% in 2011 and 15% in 2016), and it has improved for renters (44% in 2006, 41% in 2011 and 31% in 2016) from 2006 to 2016.

See Table 53: Share of household by tenure below affordability standard from 2006–2016 and Figure 24: Share of households by tenure below affordability standard in 2016.

5.9 Core Housing Need and Extreme Core Housing Need

In 2019, 19% of Ladysmith's households are in core housing needⁱⁱⁱ and 2% are in extreme core housing need^{iv}. Of those:

- 16% of owners are in core housing need and 0% of owners are in extreme housing need
- 35% of renters are in core housing need and 11% of renters are in extreme housing need

Overall numbers of households in core housing need are in line with trends reported in the last several census which showed 20% in 2006, 21 % in 2011 and 18% in 2016.

6. Affordability of New Development

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 Ladysmith without paying more than 30% of one’s household income. This analysis was performed for 2020 and 2025.

6.1 Financial Analysis Results

Based on the construction cost assumptions detailed in our methodology^v, the following housing prices represent the most affordable units that a developer or building could afford to produce in Ladysmith. More affordable new units may exist, but these would arise from exceptional circumstances, such as unusually cheap land or government subsidies and incentives.

The price of a new single-detached home is about \$666,000, the price of a new townhouse is about \$461,000 and the price of a new apartment about \$340,000. The monthly rent for new townhomes is about \$1,705 and for new apartments about \$1,240.

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^{vi}, including utilities and property taxes.

See Table 54: The most affordable new units by type and jurisdiction in 2020 and Table 55: Minimum household income required to purchase or rent a new home by unit type in 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 Ladysmith’s current households (2019) that could afford that housing option was calculated:

- To purchase a new single-detached home would require \$125,000 of annual household income, and about 24% of households could afford to do so
- To purchase a new townhouse would require \$89,000 of annual household income, and about 42% of households could afford to do so
- To purchase a new apartment would require \$68,000 of annual household income, and about 56% of households could afford to do so
- To rent a new townhouse would require \$78,000 of annual household income, and about 49% of households could afford to do so
- To rent a new apartment would require \$59,000 of annual household income, and about

63% of households could afford to do so.

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 Ladysmith in 2025 was also projected based on the escalation assumptions presented above.

See Table 56: The most affordable new units by type and jurisdiction in 2025.

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

- The economic price of a single-detached home will be about \$765,000
- The economic price of a townhouse will be about \$539,000
- The economic price of an apartment will be about \$385,000
- The economic monthly rent for townhomes will be about \$2,075
- The economic monthly rent for apartments will be about \$1,470.

See Table 57: Minimum household income required to purchase or rent a new home by unit type in 2025.

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 Ladysmith's projected households (2025) that could afford that housing option was calculated:

- To purchase a new single-family home will require \$142,000 of annual household income. About 26% of households will be able to afford to do so under the rapid recovery scenario versus 22% in the slow recovery scenario.
- To purchase a new townhouse home will require \$103,000 of annual household income. About 43% of households will be able to afford to do so under the rapid recovery scenario versus 39% in the slow recovery scenario.
- To purchase a new apartment home will require \$76,000 of annual household income. About 60% of households will be able to afford to do so under the rapid recovery scenario versus 56% in the slow recovery scenario.
- To rent a new townhouse will require \$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.
- To rent a new apartment will require \$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.

The capacity of Ladysmith's households to afford new construction will increase slightly in the rapid recovery scenario and decrease slightly in the slow recovery scenario. The overall difference between the two scenarios is not huge, suggesting that the Ladysmith's housing market is unlikely to be severely impacted by COVID-19. In Ladysmith, the cost of constructing new townhomes will increase faster than the region's incomes, and the cost of constructing new apartments will tend to increase more slowly. This is probably the result of land price increases for patio homes (a particularly desirable type of townhome) being in such short supply and in higher demand than apartments.

ⁱ Abuse/conflict in the 2017 Homeless Count questionnaire was described as abuse by parent/guardian or spouse/partner or conflict with roommates/other.

ⁱⁱ "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.

ⁱⁱⁱ 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.

^{iv} A household is said to be in extreme housing need if its housing falls below at least one of the adequacy, affordability or suitability standards and the household would have to spend 50% or more of its total before-tax income to pay the median rent of alternative local housing that meets all three housing standards.

^v See the regional CVRD housing needs report methodology section for detailed assumptions behind cost of new development.

^{vi} See the regional CVRD housing needs report methodology section for detailed assumptions behind expenses.