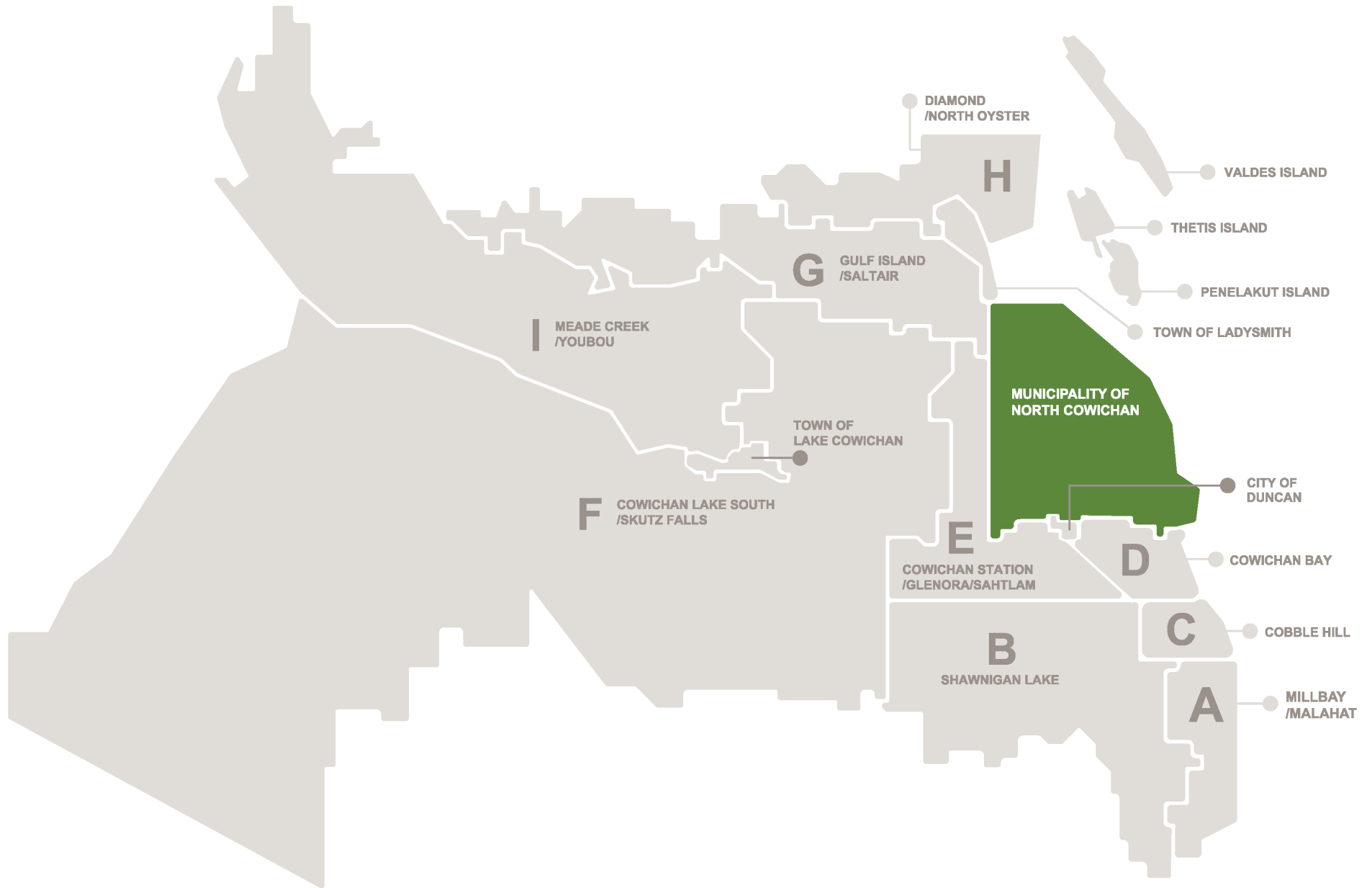




# MUNICIPALITY OF NORTH COWICHAN SUB-REGIONAL SNAPSHOT JANUARY 2021

# MAP OF CVRD



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# INTRO/BACKGROUND

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

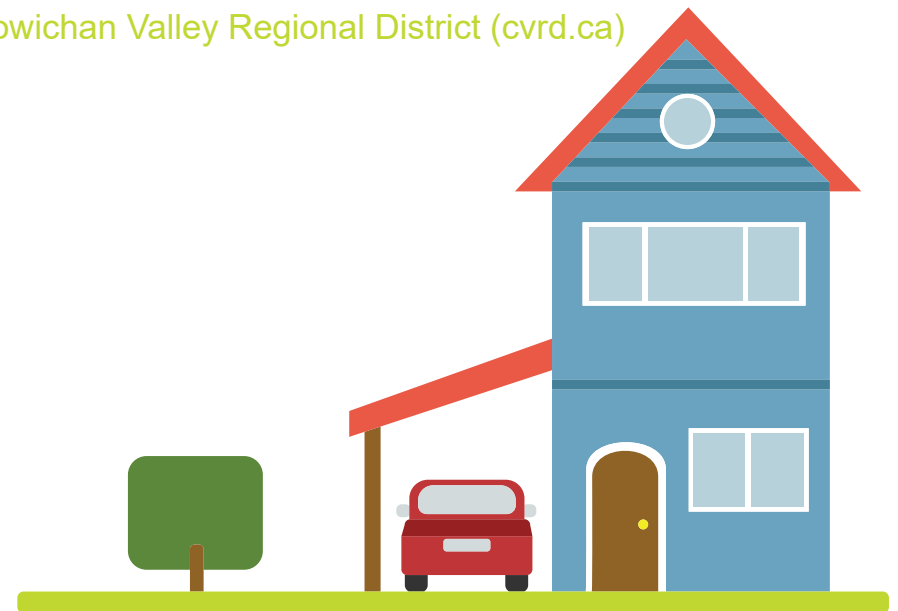
These and similar questions are on the minds of many British Columbians. In 2017, as a response to the housing crisis, the Province of British Columbia committed more than 800 million dollars to invest in affordable housing throughout the province.

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

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

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

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



# DEMOGRAPHIC PROFILE

## POPULATION GROWTH

North Cowichan is the largest jurisdiction in the CVRD and makes up more than one-third of the CVRD's population. From 2006-2016, North Cowichan increased in population by 7%, from 27,020 to 29,030 residents, slightly slower than the rate of growth across the CVRD.

Population Over Time from 2006 - 2016

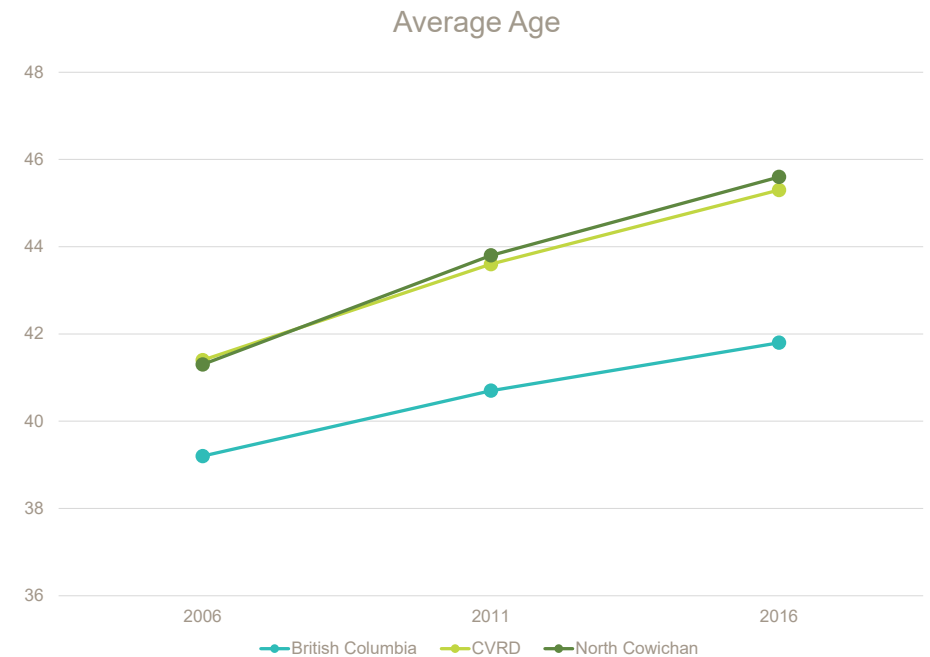
	2006	2011	2016
British Columbia	4,054,605	4,324,455	4,560,240
CVRD	75,495	78,670	81,885
North Cowichan	27,020	28,240	29,030

## UNHOUSED POPULATION

From the 2017 Point-in-Time Homeless Count and Homeless Needs Survey Community Report, 76 people were counted as “absolutely homeless” within Duncan and North Cowichan core area (considered one geographic area for this count), 47 people were considered “hidden homeless” and 28 people were considered at-risk of being homeless. Three people in Chemainus were counted as “absolutely homeless”, 11 were considered “hidden homeless” and no one was identified as at-risk of being homeless. In the Duncan and North Cowichan core area, homelessness increased by 36% from 2014-2017.

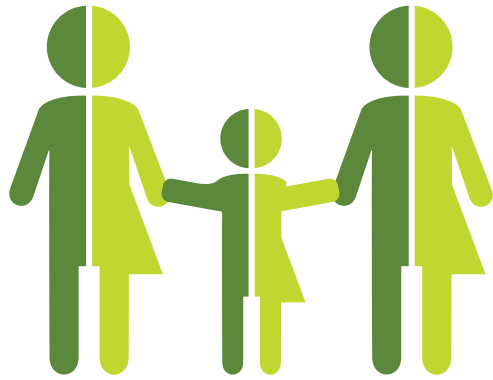
## AGE

From 2006 to 2016, the average age in BC increased from 39 to 42. The CVRD's average age is older than BC's, increasing during that decade from 41.4 to 45.3. North Cowichan's average age is close to the CVRD's, increasing from 41.3 to 45.6 years of age between 2006 and 2016.

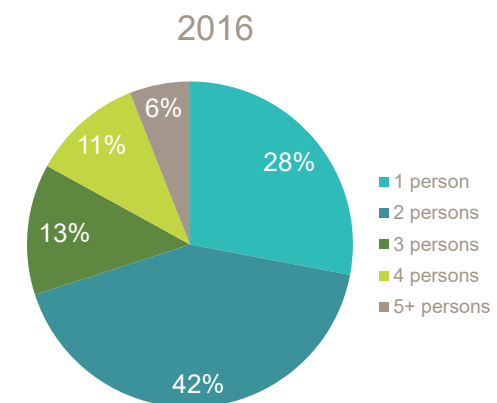
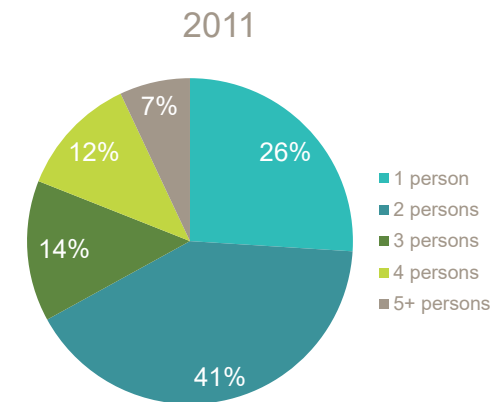
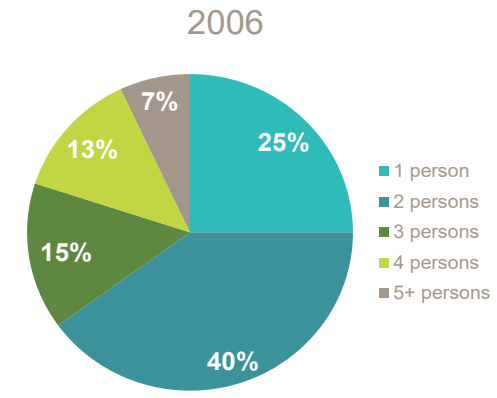
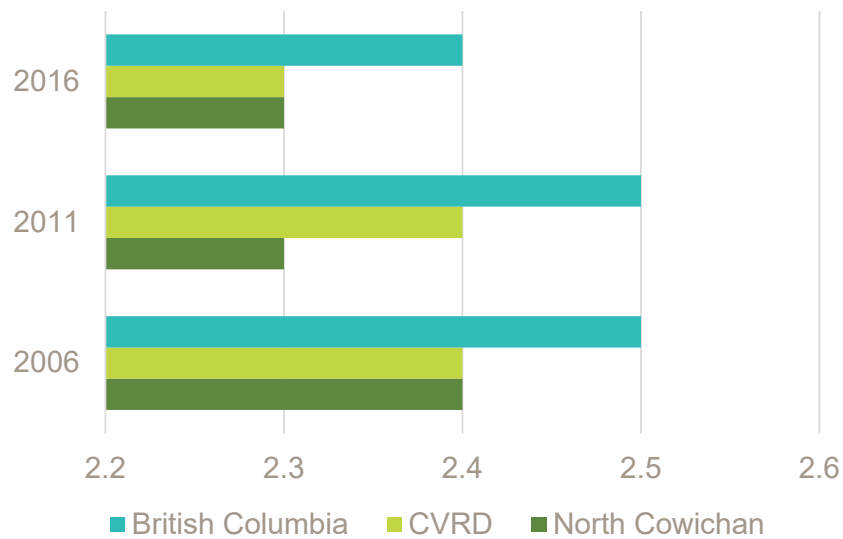


## HOUSEHOLD SIZE

Household sizes in North Cowichan are similar (2.3 people per household) to those in the CVRD as a region (2.3 people per household). Average household size decreased from 2.4 in 2006 to 2.3 in 2016.



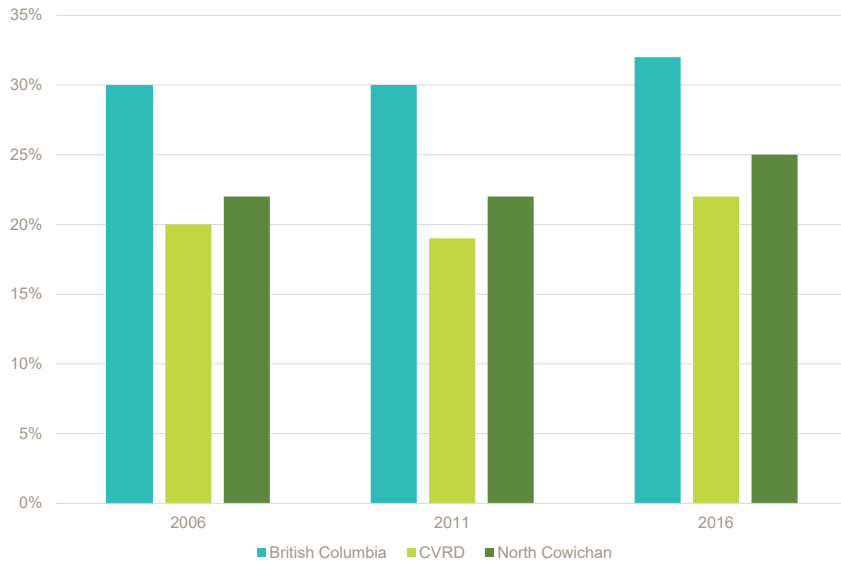
Average Household Size by Jurisdiction Over Time from 2006 - 2016



## TENURE

During the decade under analysis, renters as a share of all households in BC increased from 30% to 32%. A smaller share of households in the CVRD are renters, but the same upward trend is present: renters increased from 20% to 22% of all households. North Cowichan has a greater share of renters (at 25%) compared to the CVRD as a whole. This share has increased from 22% in 2006.

Share of Households Renting from 2006 - 2016



Renters in Subsidized Housing as Share of Total Households

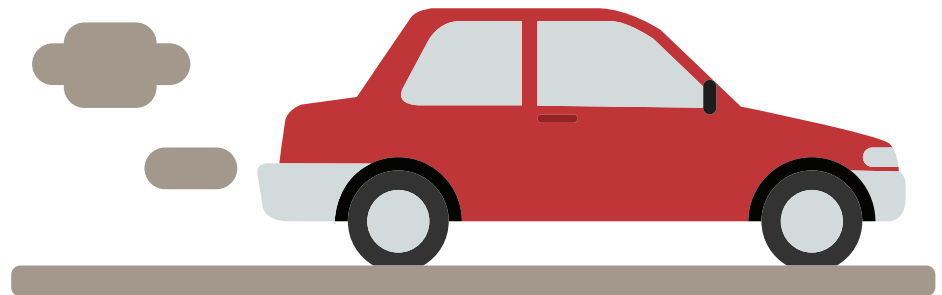
	2011	2016
British Columbia	4%	4%
CVRD	3%	2%
North Cowichan	4%	3%

## TRANSPORTATION

In North Cowichan, approximately 89% of commuters used a private automobile to get to work in 2016. Travelling to work by car took an average of 21 minutes (one-way) and those who took the bus travelled an average of 53 minutes (one-way).

Annual Ride and Trips by Bus Route in North Cowichan in 2019

	Rides	Trips
<b>Conventional Routes</b>		
Mt. Prevost/Commons	72,081	9,774
Quamichan/Commons	24,370	4,996
Maple Bay	25,126	5,274
Chemainus/Crofton	38,048	4,584
Lake Cowichan	52,337	7,993
Mill Bay (Telegraph)	28,079	2,292
Mill Bay (Shawnigan Lake)	29,340	1,961
Ladysmith/Chemainus	7,099	1,352
Ladysmith/Duncan	7,007	2,189

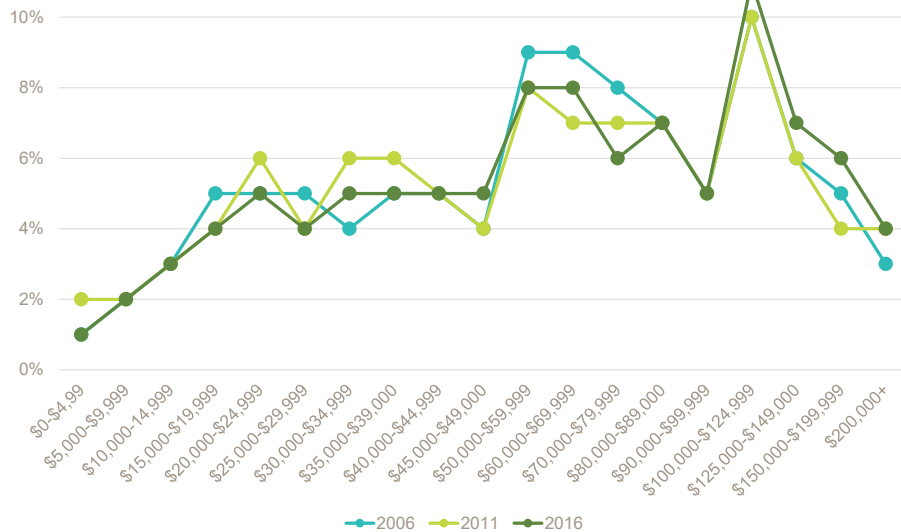


# INCOME AND ECONOMY

## HOUSEHOLD INCOME

North Cowichan had a median household income of \$63,879 in 2016, close to the regional median. This increased from 2006 to 2016 at a slightly slower pace than the CVRD. After inflation is removed from the analysis, median household incomes in BC show basically no change between 2006 and 2016. North Cowichan and the CVRD show downward trends.

Share of Households by Annual Income in 2006 - 2016



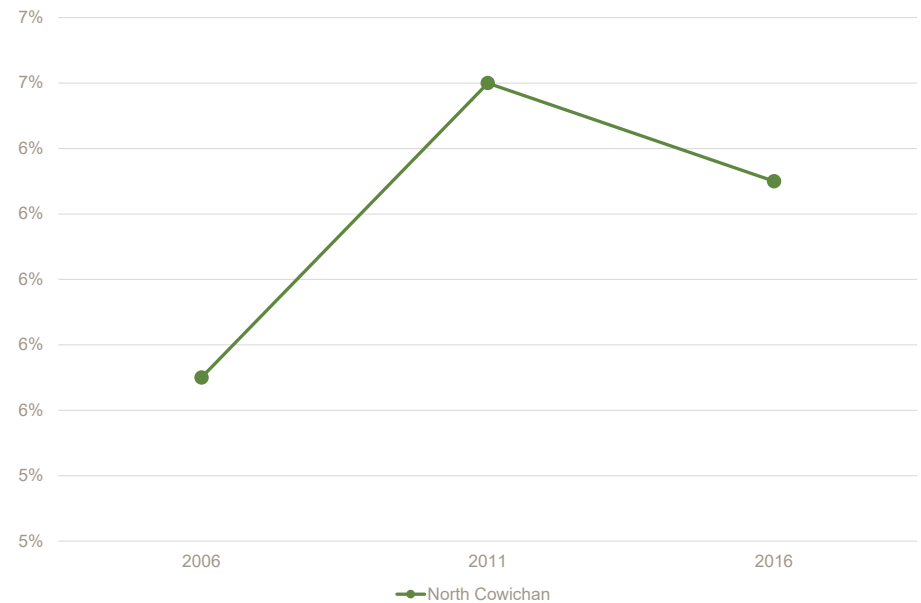
Average Annual Income in 2006 - 2016

	2006	2011	2016
<b>North Cowichan</b>	\$61,374	\$60,843	\$63,879

## EMPLOYMENT

North Cowichan's participation rate is very close to the CVRD's, declining from 60% to 57% from 2006 to 2016. North Cowichan's unemployment rate is consistently below that of the region, increasing slightly from 5.7% in 2006 to 6.3% in 2016.

Unemployment Rates



## INDUSTRY

Within the CVRD, the labour force is somewhat geographically clustered (referring to the residential locations of workers in sectors rather than where this employment takes place). North Cowichan's labour force is similar to that of the region as a whole, although it does include a cluster of healthcare and social assistance workers and retail trade workers.



# HOUSING PROFILES

## DWELLING TYPES

North Cowichan has a higher-density housing composition than the CVRD. Single-detached homes are the largest portion of the housing supply at 64% of the housing stock. This is a lower share than any jurisdiction in the CVRD except for Duncan. Apartments make up the next largest portion of the housing stock at 12%. While this is significantly lower than Duncan (44% of units), it is a higher share than any other jurisdiction in the CVRD.

Share of Total Housing Units by Type in 2006 - 2016

	Single-detached	Semi-detached	Other single-attached	Row House	Apartment in Duplex	Apartment (1-4 Storeys)	Apartment (5+ Storeys)	Movable Dwelling
2006	66%	6%	0%	7%	4%	14%	0%	3%
2011	67%	7%	0%	7%	3%	12%	0%	3%
2016	64%	7%	1%	7%	5%	12%	0%	4%

## DWELLING AGE

Within North Cowichan about 60% of dwellings were built before 1990, which compares closely with the regional and provincial trends.

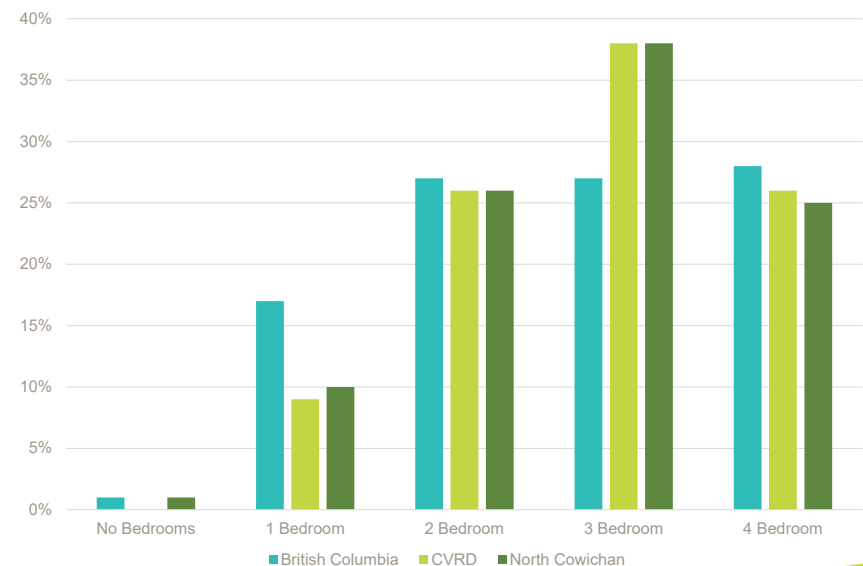
## BEDROOM NUMBER

The CVRD has a much higher share of three-bedroom units and a much lower share of one-bedroom units than BC. North Cowichan compares closely with the CVRD's share of home sizes, having large shares of two-bedroom (25%), three-bedroom (38%) and four-bedroom (27%) units, and a smaller number of one-bedroom units (9%).

Share of Dwellings by Year of Construction in 2016



Composition of Housing Stock by Room Count and Jurisdiction in 2016



## NON-MARKET HOUSING

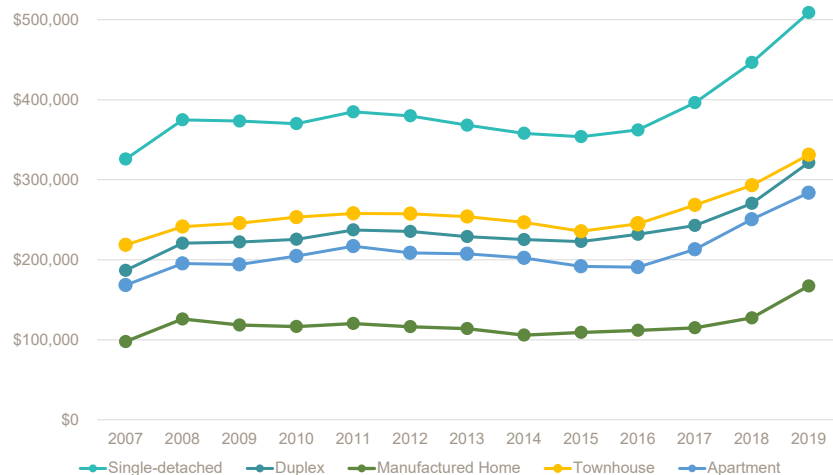
North Cowichan has 551 households subsidized by BC Housing, including:

- 39 units in the emergency shelter and housing for the homeless.
- 54 units in the transitional supported and assisted living.
- 158 units in the independent social housing.
- 300 households are provided rent assistance in the private market (of which 216 are seniors).

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

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

Average Value per Dwelling Unit by Type in North Cowichan



## MARKET RENTAL HOUSING

North Cowichan has an average rent cost of \$952, compared to \$940 for the CVRD. Renters with an income of up to \$21,321 are spending 57% of their income on rent and utilities for a one-bedroom, 66% of their income for a two-bedroom, and 84% of their income for a three-bedroom. Engagement results indicate that the CVRD is in an acute state of rental shortage with almost no vacancy. Respondents share stories of facing barriers to finding rental options in North Cowichan due to rental restrictions, previous homelessness, owning pets and having young children.

## MARKET OWNERSHIP HOUSING

From 2007 to 2019, single-detached homes have been the most desirable and expensive form of housing (\$300,000-\$500,000), followed by townhomes (\$200,000-\$300,000), then duplexes (\$200,000-\$300,000), then apartments (\$200,000-\$300,000) and finally, manufactured homes (\$100,000-\$150,000). From 2016 to 2019, prices increased considerably each year for all unit types other than manufactured homes, a widespread trend throughout southern BC.



# PROJECTIONS

## HOUSEHOLD PROJECTIONS

By 2025, North Cowichan is expected to grow from 12,937 households to 14,145 households, an increase of 9% in six years, which would be slightly faster than the 13% growth observed between 2006 and 2016.

Projected Households from 2019 - 2025

	2019 (Estimate)	2025 (Projection)	2019 - 2025 Growth
<b>North Cowichan</b>			
	12,937	14,145	9%
<b>Cowichan Valley</b>			
	34,744	39,967	15%

## POPULATION PROJECTIONS

By 2025, North Cowichan is expected to grow from 30,014 residents to 32,656 residents, an increase of 9% in six years, achieving a faster pace than the 7% growth observed between 2006 and 2016.

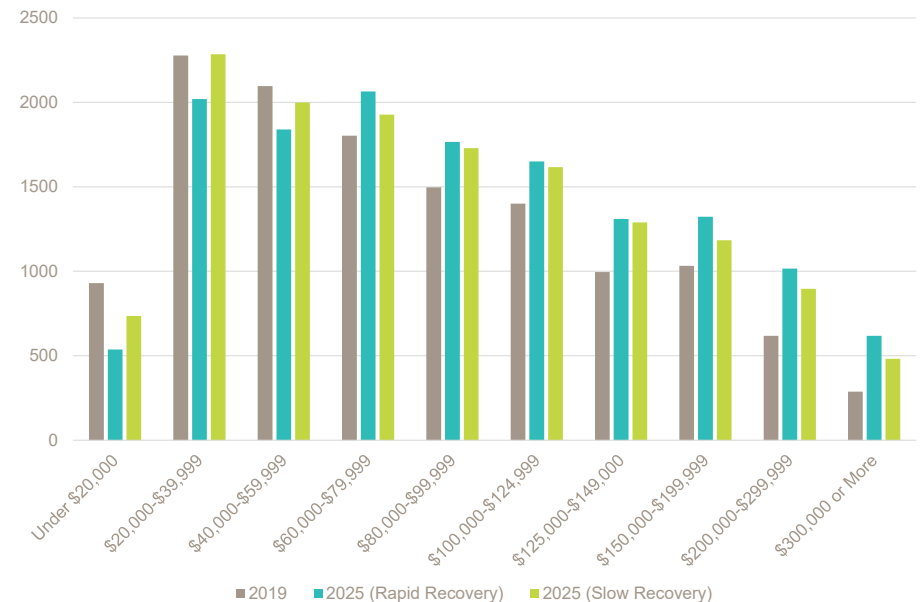
Projected Population from 2019 - 2025

	2019 (Estimate)	2025 (Projection)	2019 - 2025 Growth
<b>North Cowichan</b>			
	30,014	32,656	9%
<b>Cowichan Valley</b>			
	80,404	93,071	16%

## HOUSEHOLD INCOME PROJECTIONS

Due to the uncertainty of COVID-19, two income projections were done to 2025. One projection assumes a rapid economic recovery from the COVID-19 pandemic, while the other assumes a slower economic recovery. In 2025 (and in 2025 dollars), North Cowichan is expected to have a median household income of \$86,901 in the rapid recovery scenario or \$81,440 in the slow recovery scenario.

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



# HOUSING NEEDS

## PROJECTION OF HOUSING NEED BY NUMBER OF BEDROOMS

Most households in North Cowichan (9,489 households) will need only one bedroom in 2025. The reason for this is that one bedroom of need corresponds with households that include one person and with households that include one couple, which comprise about 89% of households in North Cowichan. In 2025, it is projected that North Cowichan will need an additional 1,208 units of housing, most of which should be one-bedroom units.

Projection of Housing Needs by Number of Bedrooms

	2019	2025	Projected Units
<b>North Cowichan</b>			
1 Bedroom	8,471	9,480	1,009
2 Bedrooms	1,823	2,024	201
3+ Bedrooms	2,643	2,641	-2
Total:	12,937	14,145	1,208

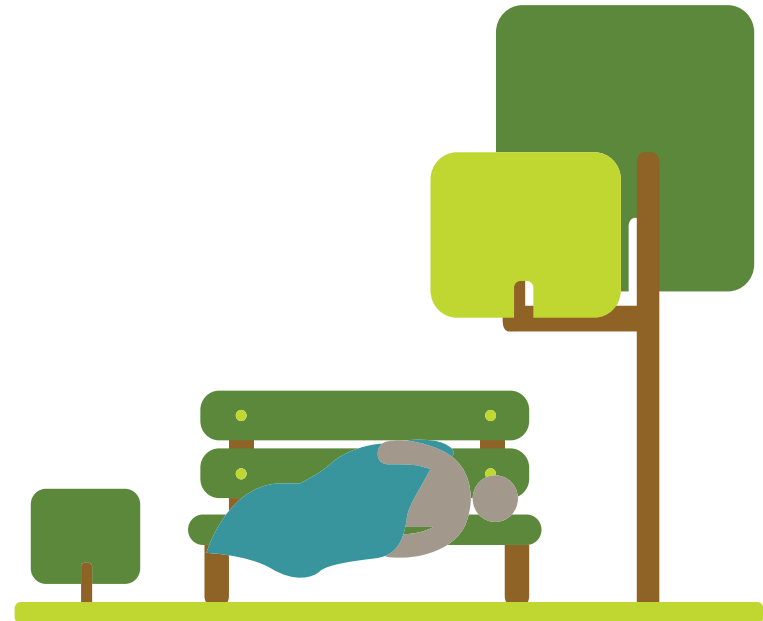
## HOMELESSNESS

Community engagement suggests that North Cowichan is overwhelmed by the demand incurred by out-of-area residents seeking shelter. Many community organizations indicate a desperate need for additional supports. Interviews with housing and community organizations highlight 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.

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

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

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



## NON-MARKET HOUSING

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

Households in North Cowichan with incomes below approximately \$57,000 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.

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

Independent Social Housing	North Cowichan	CVRD	Emergency Shelters & Housing for the Homeless	North Cowichan	CVRD
Low Income Families	100	136	Homeless Housed	24	24
Low Income Seniors	58	273	Homeless Rent Supplements	0	55
<b>SUBTOTAL</b>	<b>158</b>	<b>409</b>	Homeless Shelters	15	15
			<b>SUBTOTAL</b>	<b>39</b>	<b>94</b>

Rent Assistance in Private Market	North Cowichan	CVRD	Transitional Supported & Assisted Living	North Cowichan	CVRD
Rent Assistance for Families	84	188	Frail Seniors	16	118
Rent Assistance for Seniors	216	466	Special Needs	38	47
<b>SUBTOTAL</b>	<b>300</b>	<b>654</b>	Women and Children Fleeing Violence	0	10
			<b>SUBTOTAL</b>	<b>54</b>	<b>175</b>

## THE HOUSING CONTINUUM



## MARKET RENTAL HOUSING

Renter households in North Cowichan making less than \$42,900 per year tend to spend more than 30% of their annual income on housing expenses, placing these households in core housing need. The analysis suggests that 41% of North Cowichan’s renter households are in core housing need and 13% are in extreme core housing need. This is in line with the rates reported in the previous few censuses (39% in 2006, 48% in 2011 and 38% in 2016). Engagement results identified a need for more rental options and spoke to the need for more purpose-built rentals to meet housing challenges in North Cowichan.

Estimated Housing Costs versus Household Income for Renter Households

	Household Income	30% of Income	50% of Income	Estimated Housing Cost
<b>North Cowichan</b>				
	\$20,000	\$6,000	\$10,000	\$10,641
	\$40,000	\$12,000	\$20,000	\$12,560
	\$60,000	\$18,000	\$30,000	\$14,662
	\$80,000	\$24,000	\$40,000	\$16,496
	\$100,000	\$30,000	\$50,000	\$17,934
	\$120,000	\$36,000	\$60,000	\$18,940
	\$140,000	\$42,000	\$70,000	\$19,574
	\$160,000	\$48,000	\$80,000	\$19,998
	\$180,000	\$54,000	\$90,000	\$20,254
	\$200,000	\$60,000	\$100,000	\$20,401
	\$220,000	\$66,000	\$110,000	\$20,486
	\$240,000	\$72,000	\$120,000	\$20,533
	\$260,000	\$78,000	\$130,000	\$20,557
	\$280,000	\$84,000	\$140,000	\$20,565
	\$300,000	\$90,000	\$150,000	\$20,566

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

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

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

## MARKET OWNERSHIP

The majority of owner households with mortgages in North Cowichan making below \$53,300 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 15% of North Cowichan’s owner households are in core housing need, in line with the rates evident in recent censuses (14% in 2006, 16% in 2011 and 14% in 2016).



### HISTORIC AND CURRENT HOUSING CONDITION (ADEQUACY)

In 2016, the share of North Cowichan owner households requiring major repair (the adequacy standard) was 4%. This is similar to the CVRD and BC (both 5%).

### HISTORIC AND CURRENT OVERCROWDING (SUITABILITY)

For owner and renter households in North Cowichan, the share of all households experiencing overcrowding (the suitability standard) was 2% in 2016. More renters than owners experience overcrowding.

### CORE HOUSING NEED AND EXTREME CORE HOUSING NEED

In 2019, 21% of North Cowichan's households are in core housing need and 3% are in extreme core housing need. This is in line with trends reported in the last several censuses (30% of households in core housing need in 2006, 31% in 2011 and 34% and 2016).



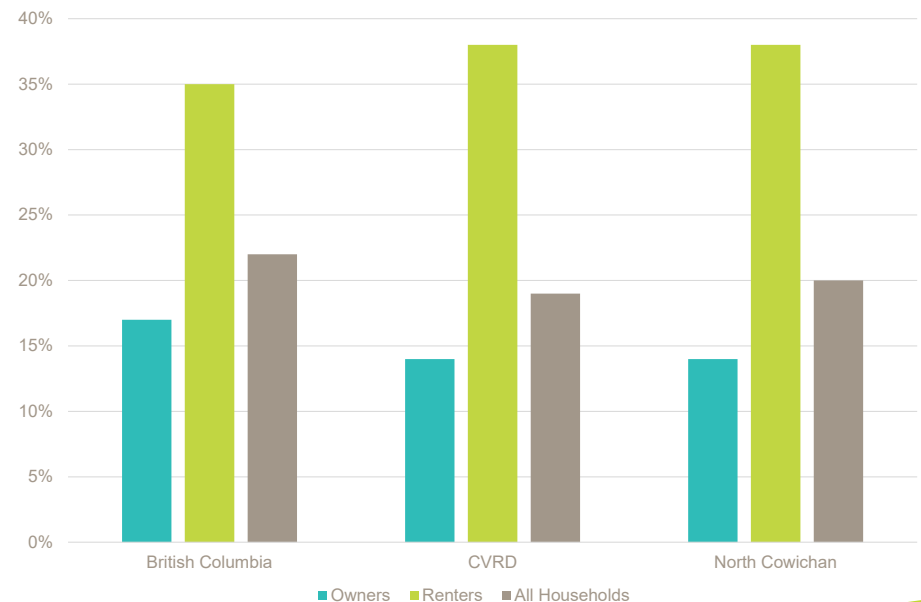
### HISTORIC AND CURRENT AFFORDABILITY

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

The share of all households falling below the affordability standards (housing expenses equal to 30% of household income) in North Cowichan is 20%. Over twice the share of renters experience affordability challenges compared to owners.

Share of Households by Tenure Below Affordability Standard in 2016



# AFFORDABILITY OF NEW DEVELOPMENT

## FINANCIAL ANALYSIS RESULTS

A financial model analyzing the cost of residential development for a variety of housing types and tenures was created. Using this model, the lowest sale price or rental rate per unit that a builder could afford to charge for the finished product while still achieving a minimal level of profit was calculated. More affordable new units may exist, but these would arise from exceptional circumstances, such as unusually cheap land or government subsidies and incentives.

These minimum prices and rental rates indicate what levels of household income would be required to purchase or rent new units in North Cowichan without paying more than 30% of one's household income. The tables show results of analysis in 2020 and 2025. The price of a new single-detached home in 2020 is \$650,000, requiring a minimum household income of \$121,000. In 2025, that is projected to increase such that a single-detached unit sale price of \$746,000 requires a minimum household income of \$138,000.

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

The Most Affordable New Units by Type and Tenure in 2020 and 2025 (-- Data is Unavailable)

	Sale Price (2020)	Sale Price (2025)	Monthly Rental Rate (2020)	Monthly Rental Rate (2025)
Single-Detached	\$650,000	\$746,000	-	-
Townhouse	\$450,000	\$527,000	\$1,670	\$2,040
Apartment	\$325,000	\$368,000	\$1,195	\$1,415

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

	Minimum Household Income	Share of Households
Single-Detached for Purchase	\$121,000	24%
Townhouse for Purchase	\$87,000	41%
Apartment for Purchase	\$65,000	55%
Townhouse for Rent	\$76,000	48%
Apartment for Rent	\$57,000	61%

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

	Minimum Household Income	Share of Households	
		Rapid Recovery	Slow Recovery
Single-Detached for Purchase	\$138,000	26%	23%
Townhouse for Purchase	\$100,000	42%	39%
Apartment for Purchase	\$73,000	60%	56%
Townhouse for Rent	\$91,000	47%	44%
Apartment for Rent	\$66,000	64%	60%



MUNICIPALITY OF NORTH COWICHAN  
SUB-REGIONAL SNAPSHOT  
JANUARY 2021

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

