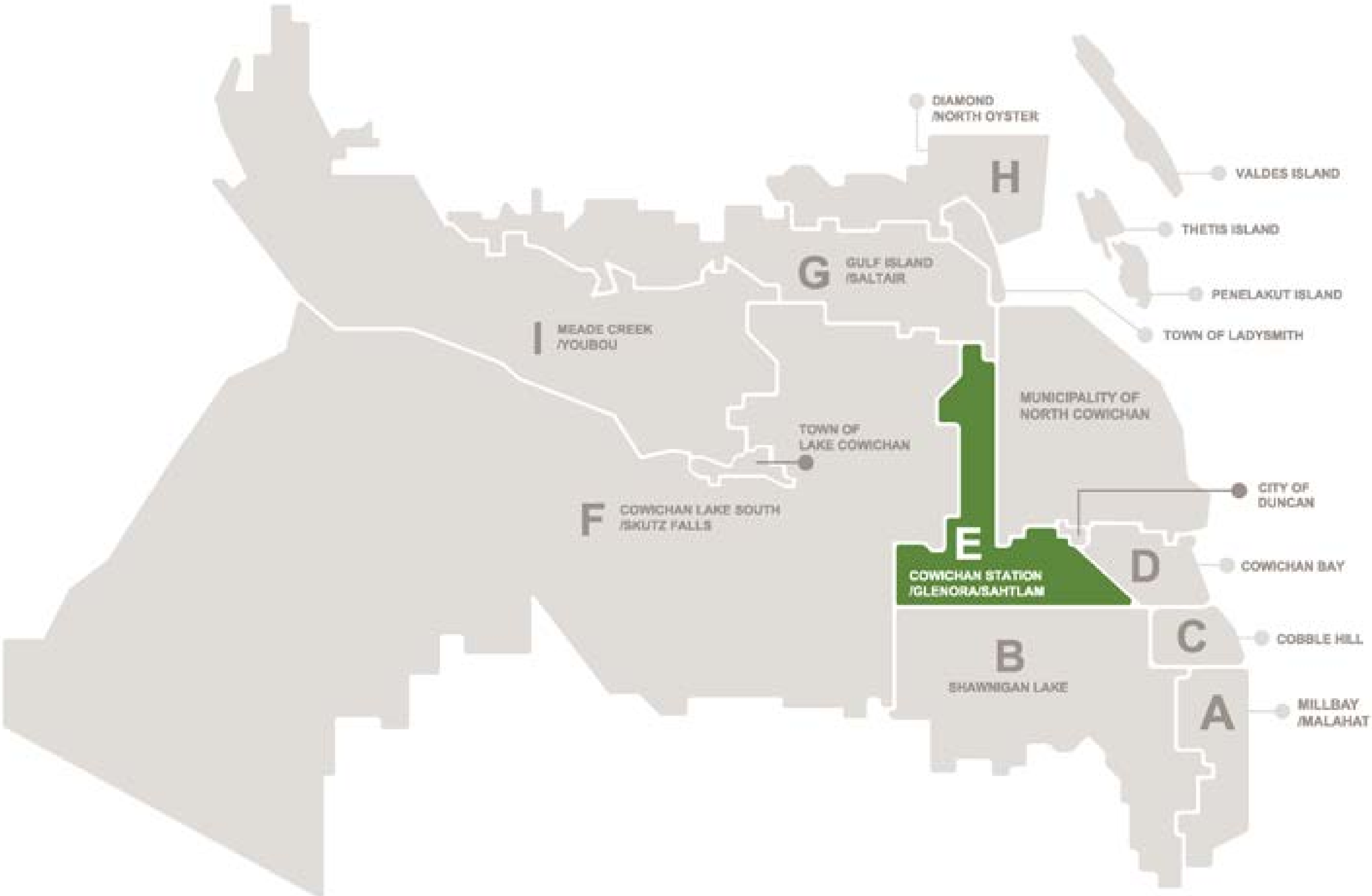
ELECTORAL AREA E - COWICHAN STATION/SAHTLAM/GLENORA

SUB-REGIONAL SNAPSHOT

JANUARY 2021

MAP OF CVRD



DIAMOND
/NORTH OYSTER
H
VALDES ISLAND
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MEADE CREEK
/YOUBOU
MUNICIPALITY OF
NORTH COWICHAN
TOWN OF
LAKE COWICHAN
CITY OF
DUNCAN
F
COWICHAN LAKE SOUTH
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COWICHAN STATION
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/MALAHAT

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INTRO/BACKGROUND

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

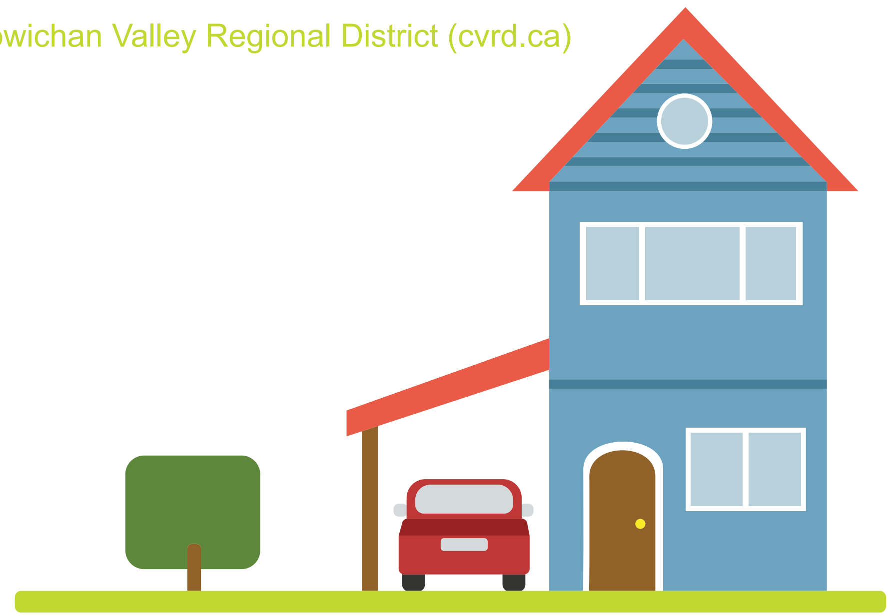
These and similar questions are on the minds of many British Columbians. In 2017, as a response to the housing crisis, the Province of British Columbia committed more than $800 million to invest in affordable housing throughout the province.

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

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

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

The remainder of this document is meant to provide a 'snapshot' of the data and the trends observed on current and anticipated housing needs within Electoral Area E – Cowichan Station/ Sahtlam/Glenora. For a more in-depth look at the full Housing Needs Report for electoral area E or to check out the project webpage, visit the following link: Housing Needs Assessment | Cowichan Valley Regional District (cvrd.ca)



DEMOGRAPHIC PROFILE

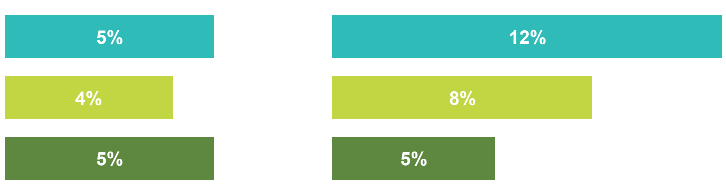
POPULATION GROWTH

Area E's population grew from 3,850 residents in 2006 to 4,035 in 2016. 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.

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
Electoral Area E	3,850	3,825	4,035

2011 - 2016 Growth vs. 2006 - 2016 Growth



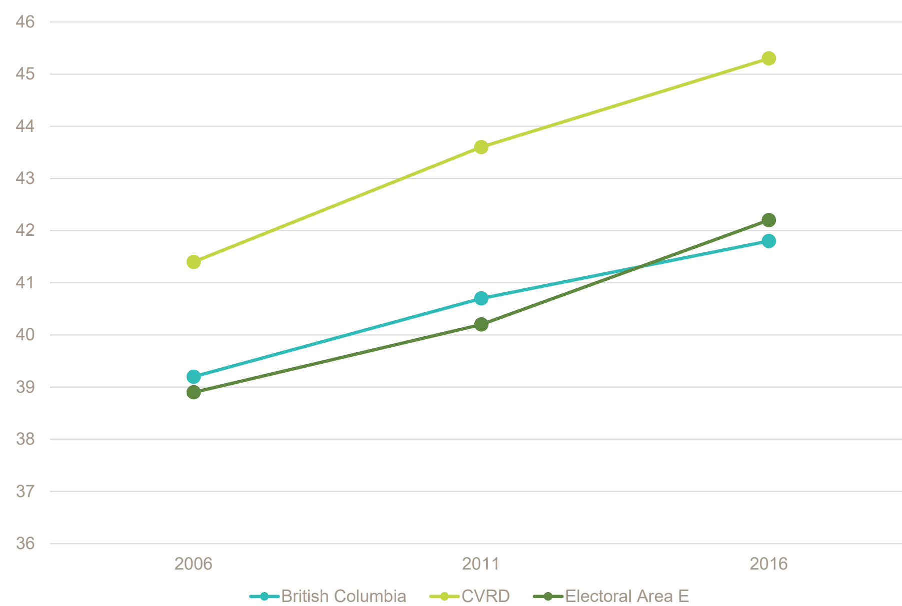
UNHOUSED POPULATION

It can be hard to locate and count homeless people in rural areas. The 2017 Summer Point-in-Time Homeless Count and Homeless Needs Survey Community Report did not provide data specific to electoral area E. Many people who are homeless in the CVRD tend to stay close to a community hub where they can access vital services. Unfortunately, electoral area E has very few of these services.

AGE

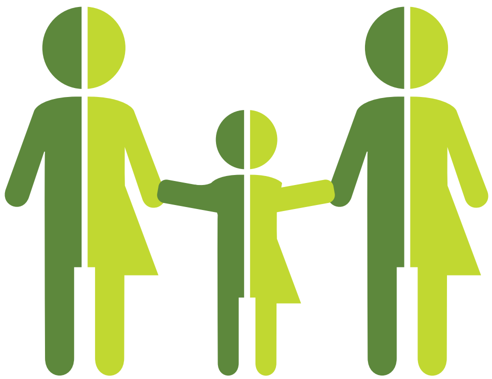
In 2016, the average age of area E residents was 42.2 years old. The majority of those residents are within the ranges of 25 – 64 years old (57%).

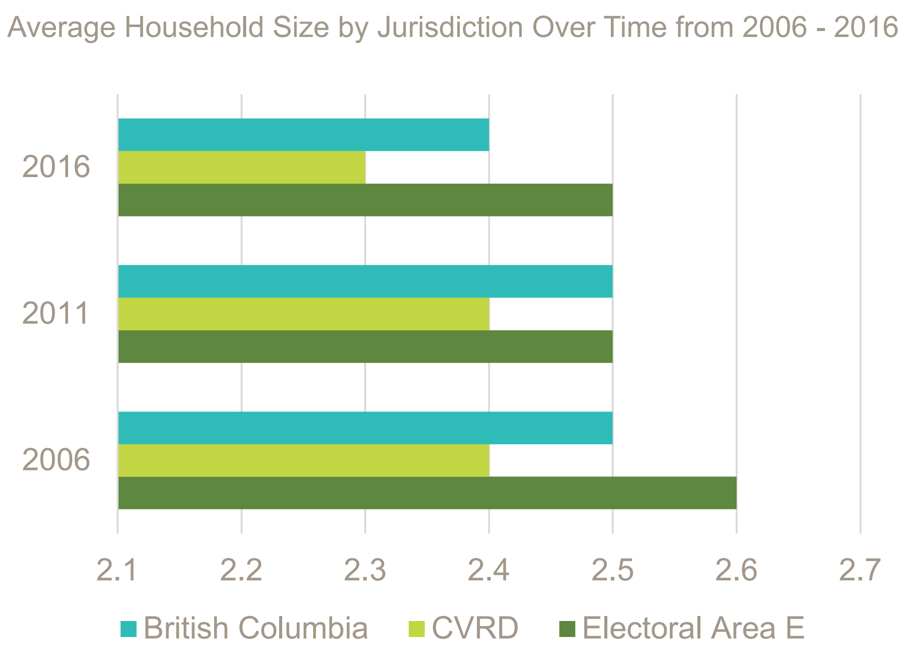
Average Age

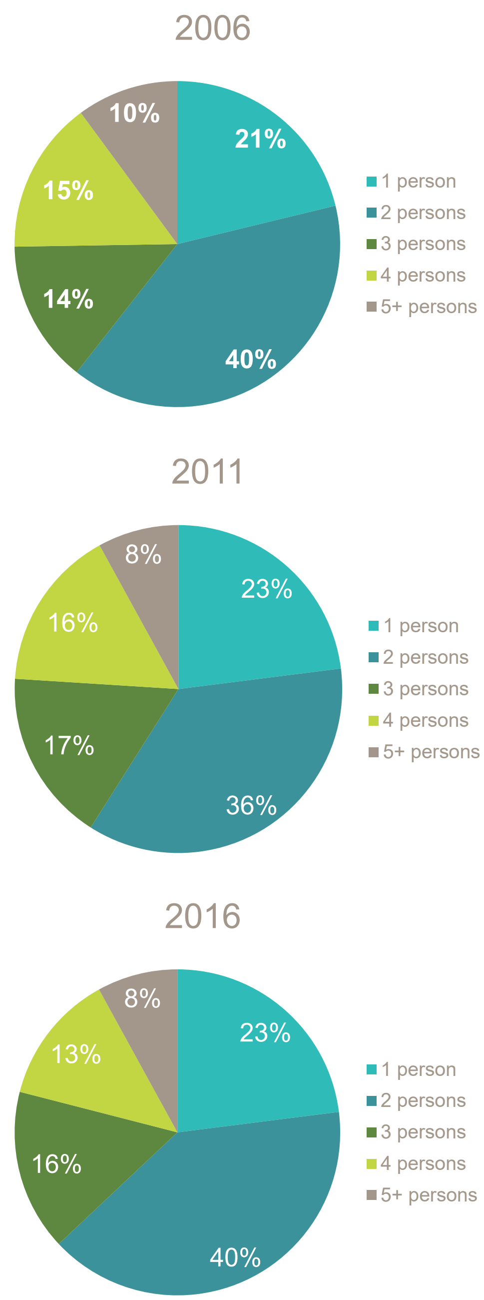


HOUSEHOLD SIZE

Household sizes in BC and throughout the CVRD decreased from 2006 – 2016. In general, jurisdictions with smaller households tend to be more senior in age. The average household size in electoral area E decreased slightly from 2.6 in 2006 to 2.5 in 2016.



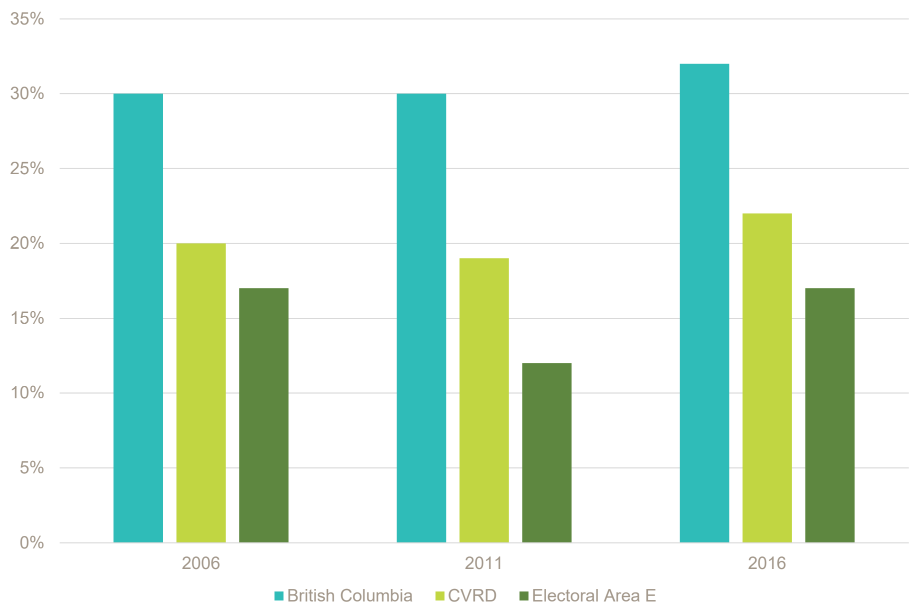




TENURE

Since 2006, the share of households who rent their homes has been consistently lower than the provincial and regional averages. Additionally, the number of renters in subsidized housing has been consistently lower than the provincial and regional averages.

Share of Households Renting from 2006 - 2016



Renters in Subsidized Housing as a Share of Total Households

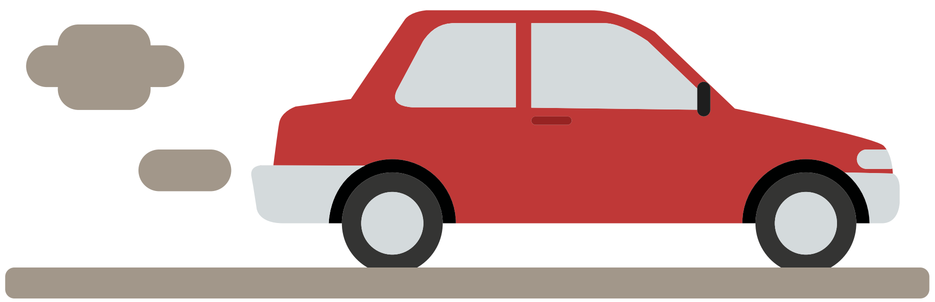
	2011	2016
British Columbia	4%	4%
CVRD	3%	2%
Electoral Area E	3%	1%

TRANSPORTATION

In 2016, 92% of commuters used a private automobile to get to work. Some portions of electoral area E are relatively well serviced (for example, Route 7), but others have no service. Electoral area E has very little population density and very little mix in uses. Though bus service is available and there is a good foundation for active transportation (via the Cowichan Valley Trail), these aren't convenient for daily use and residents must travel by car to perform their daily activities. This means transportation costs in electoral area E are high relative to jurisdictions with less car dependency.

Annual Ride and Trips by Bus Route in the CVRD in 2019

	Rides	Trips
Conventional Routes		
Eagle Heights	12,414	1,674
Lake Cowichan	52,337	7,993
Mill Bay (Telegraph)	29,079	2,292
Mill Bay (Shawnigan Lake)	29,340	1,961
Commuter Routes		
Duncan/Victoria	55,302	--

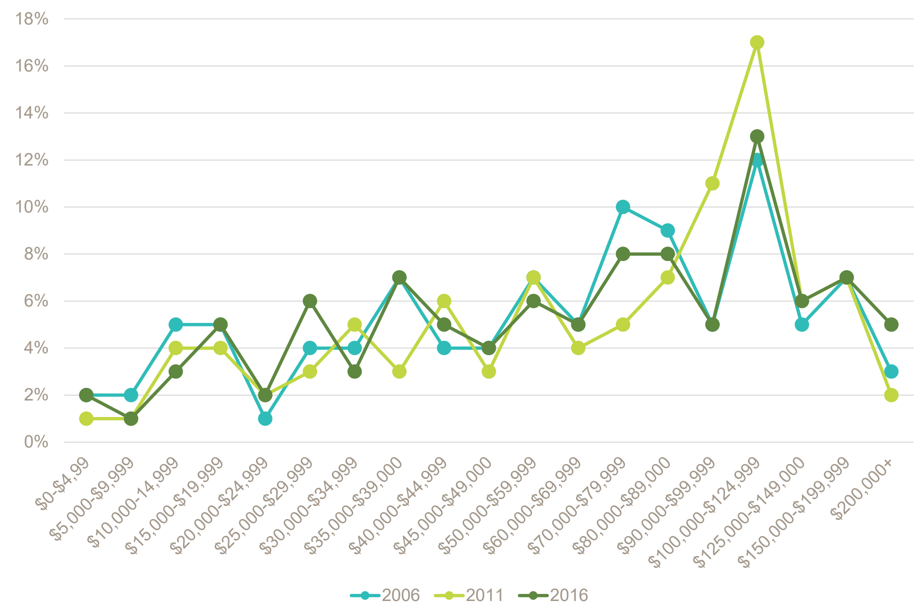


INCOME AND ECONOMY

HOUSEHOLD INCOME

In 2016, the median household income was $72,082, down from $80,877 in 2011. Approximately 70% of residents earn less than $99,000 a year, while the remaining 30% of residents earn over $100,000 annually.

Share of Households by Annual Income in 2006 - 2016
Electoral Area E



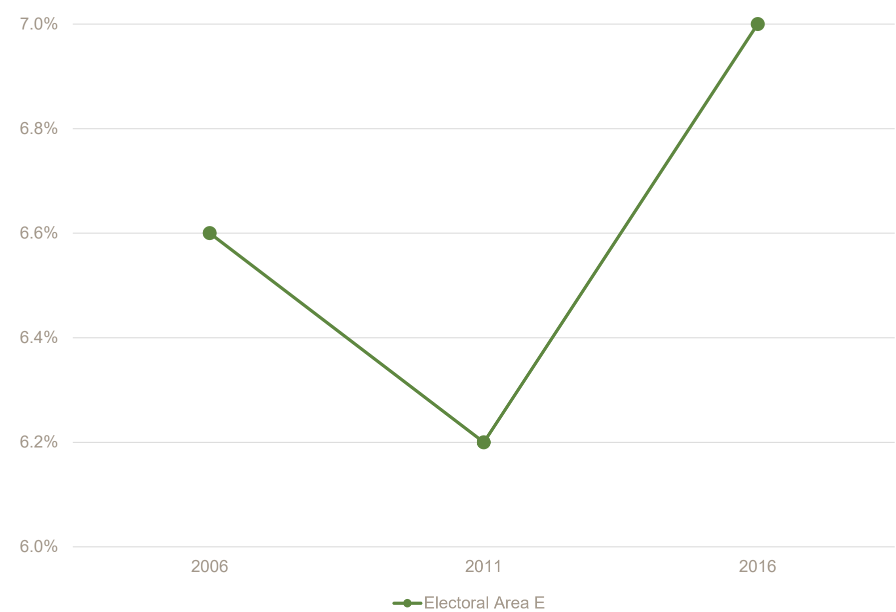
Average Annual Income in 2006 - 2016

	2006	2011	2016
Electoral Area E			
	$72,159	$80,877	$72,082

EMPLOYMENT

The labour force includes those currently employed or actively seeking employment. In 2016, area E had 2,280 residents participating in the labour force. Unemployment in the CVRD (increasing from 6.5% to 7.4%) has been slightly higher than in BC overall (increasing from 6.0% to 6.7%), except in 2011 (both 7.8%). Within the CVRD, electoral area E has a similar unemployment rate (7.0%) to the CVRD as a whole, and it remained fairly stable from 2006 (6.6%) and 2011 (6.2%).

Unemployment Rates



INDUSTRY

In 2016 the top three employment sectors in Area E were retail (14%), health care and social assistance (11%) and construction (9%).

DWELLING TYPES

Ninety percent of all dwellings in area E are single-detached dwellings. This is more than double the provincial average (44%) and higher than the regional average (73%). Semi-detached units, other single-detached units and apartments (under five storeys) all make up small components (1% each) of the housing stock in electoral area E.

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	92%	1%	0%	2%	2%	0%	0%	3%
2011	93%	0%	0%	0%	0%	1%	0%	6%
2016	90%	1%	1%	0%	3%	1%	0%	3%

DWELLING AGE

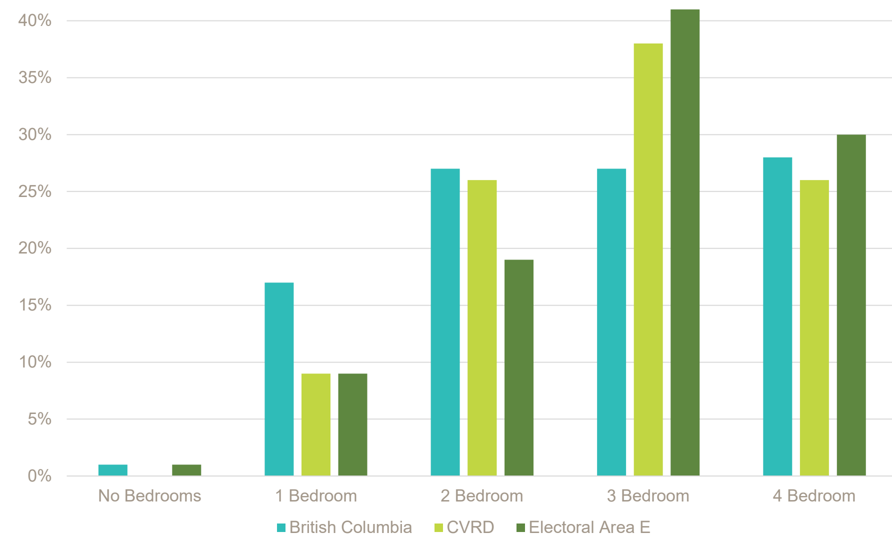
Approximately 82% of dwellings in area E were built prior to 2000, with the majority being built between 1961 – 1980.

BEDROOM NUMBER

Electoral area E has similar range of sizes as the CVRD, with a slightly higher share of three-bedroom units and four-or-more-bedroom units, and lower share of two-bedroom units than the CVRD.

Share of Dwellings by Year of Construction in 2016

Composition of Housing Stock by Room Count and Jurisdiction in 2016



NON-MARKET HOUSING

Electoral area E has no non-market units and 21 households receiving rent assistance in the private market from BC Housing.

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 HOUSING

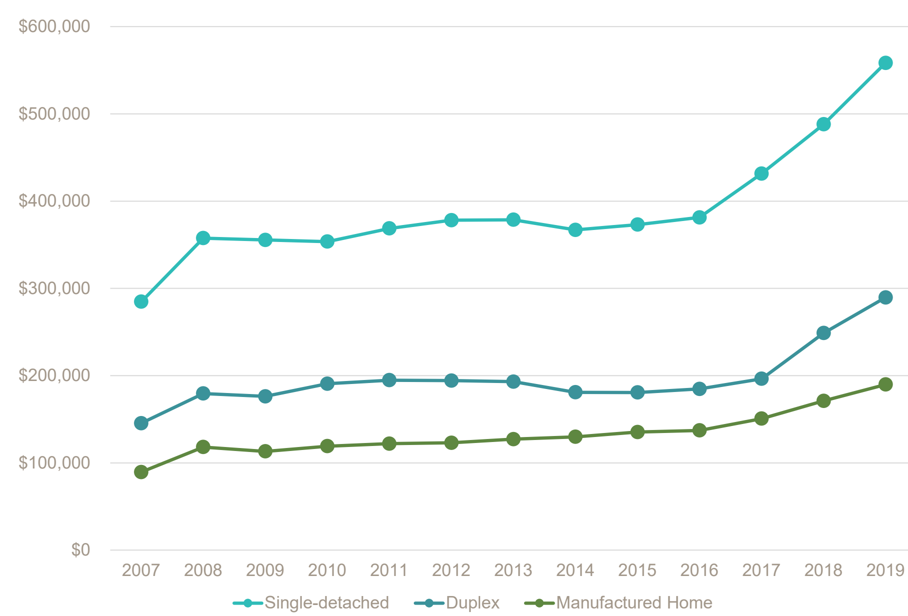
Most of the rental stock is provided through the secondary rental market (e.g., owners renting condominium apartments, houses, etc.). There is limited information on the secondary rental market in Canada, including electoral area E, so the true size of the rental market is hard to determine.

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

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

MARKET OWNERSHIP HOUSING

Single-detached homes have been the most desirable and expensive form of housing, followed by townhomes, then duplexes and finally manufactured homes. From 2017 to 2019, prices increased considerably for all unit types other than manufactured homes. This suggests that since 2017 the electoral area's supply of available land has been insufficient to meet growing demand for single-detached homes, duplexes and townhomes.



HOUSEHOLD PROJECTIONS

Between 2019 and 2025, electoral area E is expected to grow from 1,637 households to 1,748 households, an increase of 7% in six years, which would be about the same pace as the 9% growth observed between 2006 and 2016.

Projected Households from 2019 - 2025

	2019 (Estimate)	2025 (Projection)	2019-2025 Growth
Electoral Area E			
	1,637	1,748	9%
Cowichan Valley			
	34,744	39,967	15%

POPULATION PROJECTIONS

Between 2019 and 2025, electoral area E is expected to grow from 4,207 residents to 4,352 residents, an increase of 3% in six years, achieving about the same pace as the 5% growth observed between 2006 and 2016.

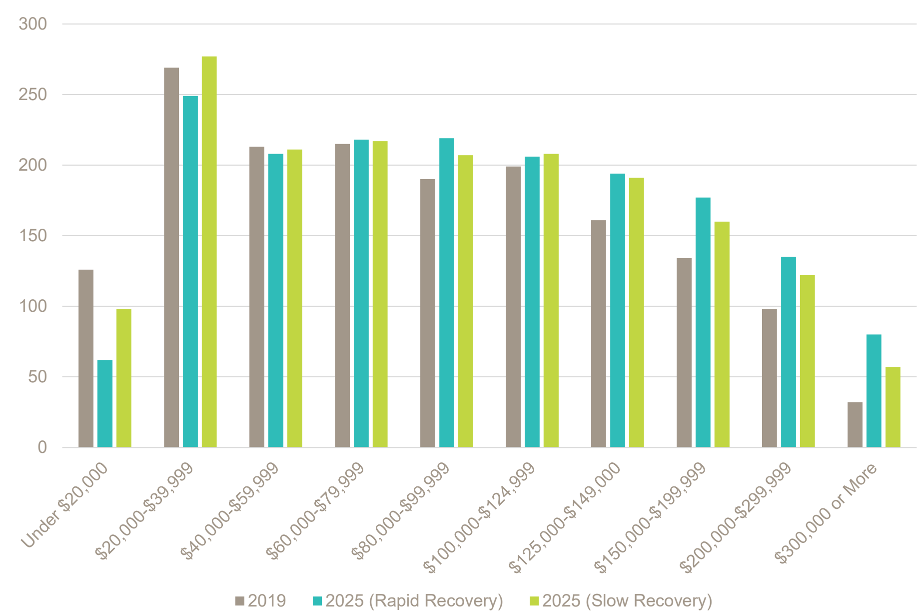
Projected Population from 2019 - 2025

	2019 (Estimate)	2025 (Projection)	2019-2025 Growth
Electoral Area E			
	4,207	4,352	3%
Cowichan Valley			
	80,404	93,071	15%

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. 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), electoral area E is expected to have a median household income of $92,519 in the rapid recovery scenario or $86,884 in the slow recovery scenario.

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



PROJECTION OF HOUSING NEED BY NUMBER OF BEDROOMS

Many households possess more bedrooms than they need, according to the National Occupancy Standard's definition of suitable housing. In 2025, it is projected that electoral area E will need an additional 111 units of housing, most of which should be one-bedroom units.

Projection of Housing Needs by Number of Bedrooms

	2019	2025	Projected Units
Electoral Area E			
1 Bedroom	980	1,100	120
2 Bedrooms	263	266	3
3+ Bedrooms	394	382	-12
Total:	1,637	1,748	111

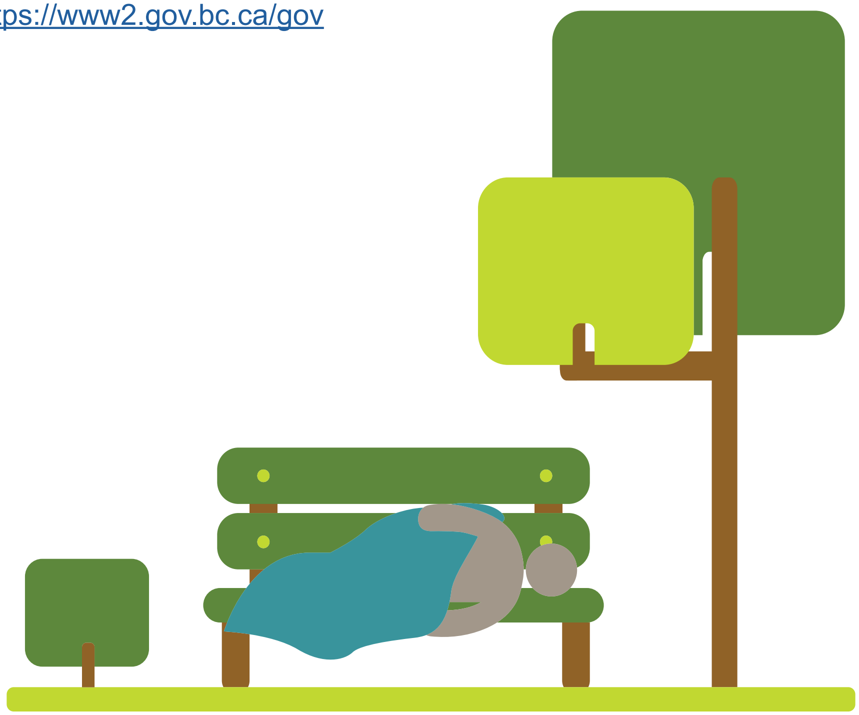
Suitable Housing: Suitable housing has enough bedrooms for the size and composition of resident households, according to National Occupancy Standard (NOS) requirements.

HOMELESSNESS

There are no emergency shelters or long-term options for those experiencing homelessness in electoral area E. As a result, many people are seeking shelter outside of their communities.

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 rental 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. 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.

The market will struggle to provide new housing that is affordable for lower income households in electoral area E. Households with incomes below approximately $57,000 will not be able to afford renting market rental new homes.

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

Emergency Shelters & Housing for the Homeless	Electoral Area E	CVRD
Homeless Housed	0	24
Homeless Rent Supplements	0	55
Homeless Shelters	0	15
SUBTOTAL	0	94

Independent Social Housing	Electoral Area E	CVRD
Low Income Families	0	136
Low Income Seniors	0	273
SUBTOTAL	0	409

Transitional Supported & Assisted Living	Electoral Area E	CVRD
Frail Seniors	0	118
Special Needs	0	47
Women and Children Fleeing Violence	0	10
SUBTOTAL	0	175

Rent Assistance in Private Market	Electoral Area E	CVRD
Rent Assistance for Families	11	188
Rent Assistance for Seniors	10	466
SUBTOTAL	21	654

THE HOUSING CONTINUUM

MARKET RENTAL HOUSING

Renter households in electoral area E making less than $48,400 per year tend to spend more than 30% of their annual income on housing expenses, placing these households in core housing need. Renter households making less than $26,600 per year tend to spend more than 50% of their annual income on housing expenses, placing them in extreme core housing need. This analysis suggests that 46% of electoral area E's renter households are in core housing need and 21% are in extreme core housing need.

Estimated Housing Costs Versus Household Income for Renter Households

	Household Income	30% of Income	50% of Income	Estimated Housing Cost
Electoral Area E				
	$20,000	$6,000	$10,0000	$12,775
	$40,000	$12,000	$20,000	$13,855
	$60,000	$18,000	$30,000	$15,441
	$80,000	$24,000	$40,000	$17,214
	$100,000	$30,000	$50,000	$18,853
	$120,000	$36,000	$60,000	$20,166
	$140,000	$42,000	$70,000	$21,117
	$160,000	$48,000	$80,000	$21,803
	$180,000	$54,000	$90,000	$22,267
	$200,000	$60,000	$100,000	$22,571
	$220,000	$66,000	$110,000	$22,779
	$240,000	$72,000	$120,000	$22,924
	$260,000	$78,000	$130,000	$23,079
	$280,000	$84,000	$140,000	$23,079
	$300,000	$90,000	$150,000	$23,109

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

Core Housing Need: A household is said to be in core housing need if its housing falls below at least one of the adequacy, affordability or suitability standards and 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.

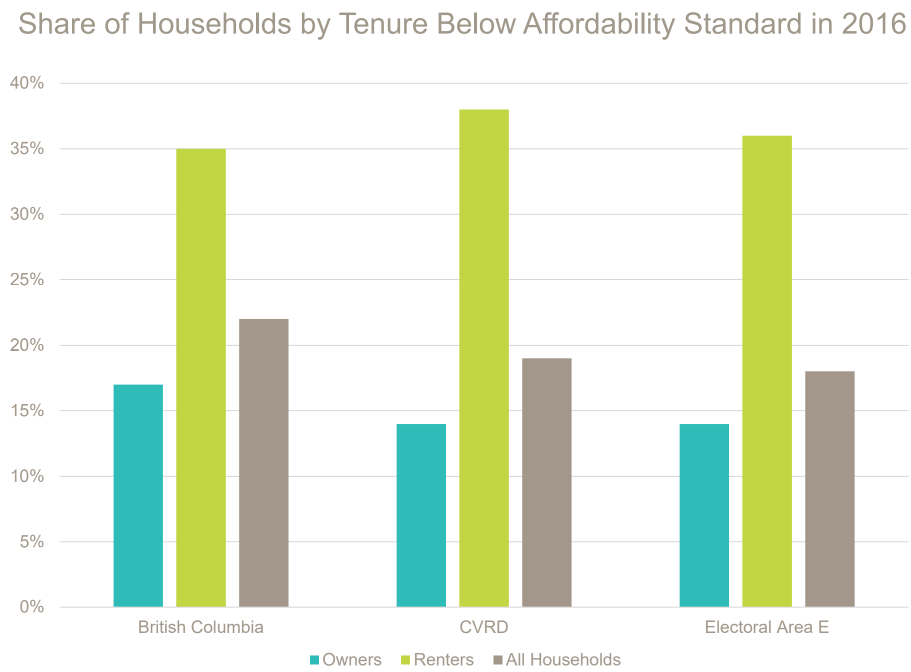
Extreme Core Housing Need: Those who meet the definition of core housing need and spend 50% or more of their income on housing.

MARKET OWNERSHIP

The majority of owner households with mortgages in electoral area D making between $21,100 and $61,600 per year spend more than 30% of their annual income on housing expenses, placing these households in core housing need. The majority of owner households with mortgages in electoral area E making below $53,100 per year spend more than 30% of their annual income on housing expenses, placing these households in core housing need.

HISTORIC AND CURRENT HOUSING CONDITION (ADEQUACY)

Compared to BC, the adequacy situation in the CVRD is about the same for owners and somewhat worse for renters but improving (from 12% in 2006 to 9% in 2016). Compared to the CVRD, the situation in electoral area E is slightly worse for owners (8% in 2016) and slightly better for renters (7% in 2016), with the share of households requiring major repair increasing for owners (from 6% in 2006 to 8% in 2016) and significantly decreasing for renters (from 22% in 2006 to 7% in 2016).



HISTORIC AND CURRENT OVERCROWDING (SUITABILITY)

Overcrowding is less of an issue in Area E than it is in the rest of BC. More renter households experience overcrowding in Area E (7%), than owner households (3%).

HISTORIC AND CURRENT AFFORDABILITY

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). Electoral area E is similar to the CVRD, with 14% of owners experiencing affordability challenges compared to 36% of owners. Over double the share of renters experience affordability challenges compared to owners.

CORE HOUSING NEED AND EXTREME CORE HOUSING NEED

Twenty-one percent of electoral area E's households are in core housing need and 4% are in extreme core housing need. This is consistent with the rates reported in the last several censuses (17% in 2006, 22% in 2011 and 18% in 2016).

AFFORDABILITY OF NEW DEVELOPMENT

FINANCIAL ANALYSIS RESULTS

The analysis reviewed the incomes required and percentages of households that will be able to afford buying or renting in new developments in electoral area E.

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 electoral area E's households to afford new construction was calculated. The capacity will increase in the rapid recovery scenario and will decrease slightly in the slow recovery scenario.

The overall difference between the two scenarios is minor, suggesting that the electoral area's housing market is unlikely to be severely impacted by the COVID-19 pandemic. 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 townhomes being in such short supply and high demand, versus apartments which are much less desirable in this part of Vancouver Island.

The Most Affordable New Units by Type and Tenure in 2020 and 2025

	Sale Price (2020)	Sale Price (2025)	Monthly Rental Rate (2020)	Monthly Rental Rate (2025)
Single-Detached	$650,000	$746,000	-	-
Townhouse	$449,00	$525,000	$1,670	$2,035
Apartment	320,000	$363,000	$1,180	$1,400

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	$118,000	29%
Townhouse for Purchase	$85,000	47%
Apartment for Purchase	$63,000	61%
Townhouse for Rent	$76,000	52%
Apartment for Rent	$57,000	65%

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	$135,000	29%	26%
Townhouse for Purchase	$97,000	47%	44%
Apartment for Purchase	$70,000	64%	60%
Townhouse for Rent	$91,000	51%	48%
Apartment for Rent	$66,000	67%	63%

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FOR THE FULL REPORT SEE:
HOUSING NEEDS ASSESSMENT
COWICHAN VALLEY REGIONAL DISTRICT
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