



AFFORDABLE HOUSING PROFILE 2018

DRAFT COWICHAN ATTAINABLE HOUSING STRATEGY BACKGROUND REPORT

"Ladysmith Harbour"

INTRODUCTION

2018, Cowichan Housing Association is leading the development of an Attainable Housing Strategy. The purpose of this Brief is to provide a summary of the 2018 Draft Affordable Housing Profile.

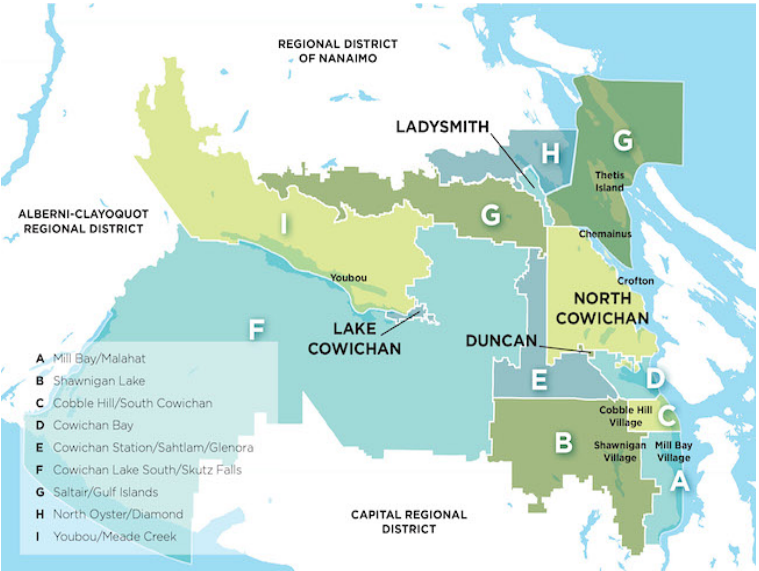
Attainable Housing describes the ability of households to enter, and graduate to successively higher levels of, the local housing market. Households at various income levels can find and secure (attain) suitable housing, and can ultimately advance to a different level. This definition presupposes that a range of housing options (type, size, tenure, cost) exists in the local market.

Affordable Housing is defined by the cost of the housing and by the amount of income need of an individual to obtain appropriate housing. The term "affordable housing" can refer to any part of the housing continuum from temporary emergency shelters through transition housing, supportive housing, subsidized housing, market rental housing or market homeownership.

WHY IS AFFORDABLE HOUSING SO IMPORTANT?

Affordable housing is an important social determinant of physical and mental health. Research supports the critical link between affordable housing and health outcomes and reduced rates of homelessness.

- Addressing housing needs** also **benefits communities** through:
- ◆ Meeting the safe housing needs of many different types of vulnerable people: single mothers, people with disabilities, etc.
 - ◆ Providing housing for the local workforce.
 - ◆ Providing housing alternatives for seniors and others who may wish to downsize.
 - ◆ Increasing the buying power of the people who live in the housing, which allows more spending in the local economy, and;
 - ◆ Creating a significant **Social Return on Investment** (see quote below).



For every dollar invested in supporting affordable housing, between two and three dollars in direct social and economic value is created for individuals, governments, and communities. Beyond the economic stimulation that housing construction generates, there is approximately 20-30% 'value added' when this construction results in affordable housing, and 92% 'value added' when that affordable housing is targeted to, and includes supports for, marginalized populations.

– BC Housing (2016) case studies.

The Cowichan Region covers 373,000 hectares and extends from the Malahat in the south, to North Oyster in the north, and west to the Pacific Ocean including the communities around Cowichan Lake. The study area coincides with the boundaries of the CVRD (see above). Within the CVRD are nine electoral areas and four municipalities: The City of Duncan, Municipality of North Cowichan, Town of Ladysmith and the Town of Lake Cowichan.

The CVRD is part of the traditional unceded territory of the Coast Salish Peoples. The eight local First Nations are: Cowichan Tribes, Ditidaht First Nation, Halalt First Nation, Lake Cowichan First Nation, Lyackson First Nation, Malahat First Nation, Penelakut Tribe and Stz'uminus First Nation.





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POPULATION

In 2016, the **population** of the CVRD was **83,739**. 35% live in North Cowichan. Currently, 24% of the population in the region is 65+.

In 2016, the population of **Indigenous people** in the CVRD was 9,660 or **11.5%** of the Cowichan Region’s population. This number has grown from 8,525 (10.6%) in 2011, with **Youth under 25** making up nearly **one half** of this total number.

Between 2011 – 2016, the Region’s population grew by 4.2%. It is anticipated to reach 103,182 in 2039 (0.9%/year). The **proportion of seniors** is expected to increase from 24% to **26%** by **2021**.

INCOME

In 2016, **29%** of median household income in the CVRD fell below **\$40,000** per year and **46%** of CVRD households had **incomes under \$60,000** (2016 Census Canada *Profile 2016 Cowichan Valley*).

11,940 individuals (**15.3%**) were considered **low income**, 2285 of whom were 65 years and over.

Nearly **one in four children in the Cowichan Region live in poverty** according to 2015 Statistics Canada data. The 2015 BC Child Poverty Report Card lists the Cowichan Region as having the highest number of children living in low income families.

HOUSING AFFORDABILITY

Housing affordability is linked to a household’s ability to pay for their housing as well as the ability to find housing that is in good condition and adequate in size. Different households experience housing affordability challenges in different ways. Affordability pressures affect low to moderate income earners and vulnerable groups, but also local businesses that are struggling to attract and maintain new employees and young professionals.

WHO FACES AN AFFORDABILITY GAP?

The housing affordability gap, the gap between the affordable monthly cost for housing and the actual monthly costs, affects many household types and income levels. **Almost one in four households in the Cowichan Region spend 30% or more of their income on shelter costs, 44% are renter households.**

RENTAL HOUSING COSTS

In 2016, the **average rent** in the CVRD was **\$960**.

Households with incomes **less than \$21,197** would **spend 61% on shelter costs** and households with incomes up to \$38,731 would spend 35%.

The CVRD was ranked **Critical** on the **Canadian Rental Index Scores** when it comes to the overall health of the rental market.

OWNERSHIP HARD TO REACH

- ♦ **18%** → increase in average sales price (2016 to 2018)
- ♦ **\$437,449** → average sale price (2017)
- ♦ **\$164,469** → maximum purchasing price (based on average income of single person)
- ♦ **\$232,480** → maximum purchasing price (based on average income of couple no children)





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HOUSING TENURE

The CVRD is seeing a shift in housing tenure. In 2016, **77%** of all households were **owner households** and **22%** were **renters**, an increase in renter households of 3% and decrease in owner households of 4% since 2011.

Areas with the highest proportion of renter households are Duncan (45.7%), Area I (25.2%), North Cowichan (25%), and Area F (23.1%). >>> [see chart](#)

HOUSING STOCK

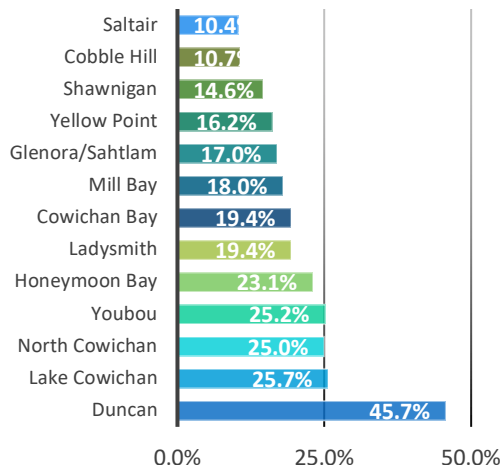
Of the 35,275 occupied household dwelling units in the CVRD in 2016,

- ◆ Single detached houses: 73.4%,
- ◆ 3 and 4 bedroom units: 65%
- ◆ Apartments: 12.6%,
- ◆ Movable units: 5.2%,
- ◆ 1 bedroom units: 8.6%

45.5% of all private dwellings in the CVRD were **constructed before 1980**.

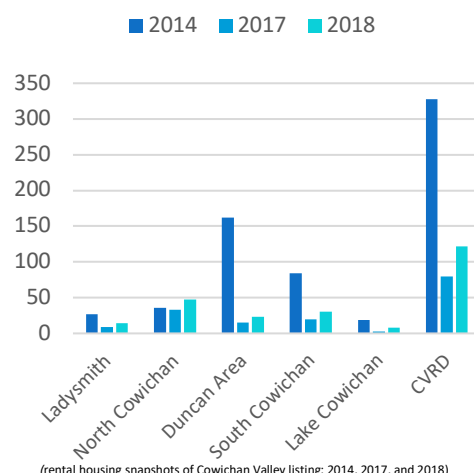
Across the region, 2,640 dwellings were in need of major repairs and **1,050 households** were living in **unsuitable conditions**.

Proportion of Rental Households by Area, CRVD 2016



(adapted from: Census Canada. *Census Profile, Profile 2016 Cowichan Valley*)

Rental Market Listings CVRD 2014 – 2018



(rental housing snapshots of Cowichan Valley listing: 2014, 2017, and 2018)

RENTAL STOCK

- ◆ 7,575 (21.5%) purpose-built rentals
- ◆ 1,175 secondary suites
- ◆ 65.7% of rental units are located in North Cowichan (42%), Duncan (14.3%), and Ladysmith (9.4%).

Non-Market Housing

In 2017, the Cowichan Region had **592 Non-Profit Housing Units**. The majority of these are dedicated to seniors and adults with disabilities. 110 of these are family units and many are dedicated to off reserve housing for Aboriginal families.

RENTAL HOUSING AVAILABILITY

Between 2013 to 2017, the Rental Housing **Vacancy rate** in the CVRD decreased from 8.6% to **2.8%** ([see chart below](#)).

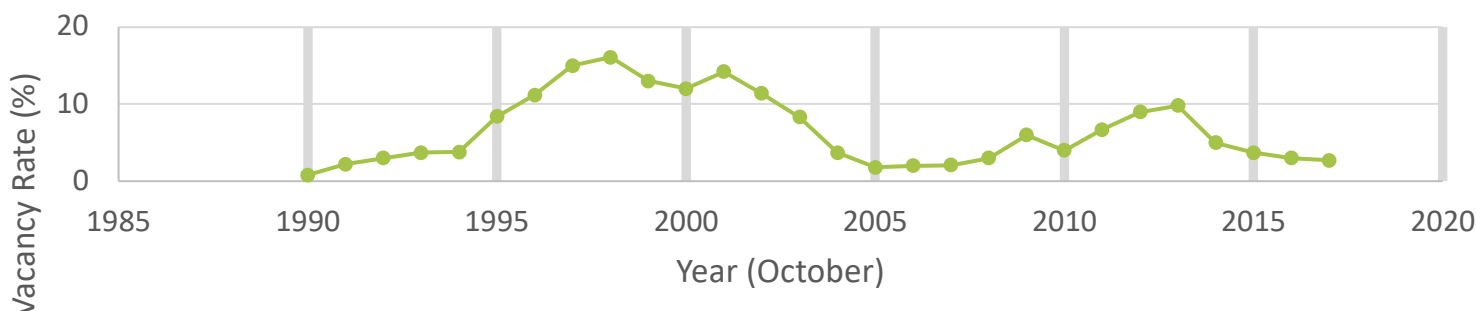
Rental Market Prices

A snapshot of rental listings in **January 2018**, revealed **122 listings**, down from 328 listings in March 2014, with a significant rise in market prices from just a year prior.

<<< [see chart](#)

In March 2018, a total of **85** individuals were on the **non-market housing waitlist** for one of the 540 units/listings in 19 complexes in the CVRD.

Rental Vacancy Rates, Cowichan, 1990-2017



CMHC Housing Information Portal. Available at <https://www03.cmhc-schl.gc.ca/hmip-pimh/>





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RENTAL HOUSING

Research published by BC Non Profit Housing Association in 2017 calculated that the Cowichan Region had a supply backlog of 750 rental units, 385 of which were core housing need households and 365 missing middle households in 2016. In addition, 1,512 individuals were in need of income support in order to be adequately housed.

The BC Non Profit Housing Association projected the following for the CVRD between 2011 and 2036 (see table above):

- ◆ 12,468 new households (83% owner; 17% rental)
- ◆ **2066 to 2290 new rental households by 2036**

OWNERSHIP HOUSING

Between 2016 – 2018, the average sales price for single family homes in the Cowichan Valley increased from \$393,185 to \$462,563, an increase of over 18%. In February 2018, **70% of real estate listings were priced at \$300,000 and over** while just under 3% were less than \$100,000.

Households Needing Support

This table shows the number of renter households in the region that are currently in need of a new unit or income support in order to be adequately and affordably housed.

Household Type	Supply Backlog	Income Support
Core housing need households (average income: \$18,964)	385	1,512
Missing middle households (average income: \$44,448)	365	N/A
TOTAL	750	1,512

BC Non Profit Housing Association (2012) Regional Breakdown Cowichan Valley

HOMELESSNESS

Three **Point in Time Counts** have been undertaken in the CVRD since 2014. In 2017, 189 individuals were surveyed. The results of the report included the following:

- ◆ **Homelessness grew 50% since 2014**
- ◆ **Men compose 2/3 or greater of the Absolutely Homeless**
- ◆ **Indigenous homelessness increased from 26% in 2014 to 39% in 2017**
- ◆ **Age still averages late 40’s with average age from 45 to 49 years**
- ◆ **Youth homelessness increasing**

Many of the youth surveyed experience a **chronic state of insecure housing** and expressed concerns about the safety and quality of rental units and problems with landlords.

Non Market Housing Needs:

HOMELESS	YOUTH	SENIORS	FAMILIES	WOMEN	VULNERABLE	INDIGENOUS
<ul style="list-style-type: none"> ◆ 100 portable housing subsidies & income supplements ◆ Mobile support team ◆ 3000 rent supplements to vulnerable groups ◆ Rapid rehousing support team 	<ul style="list-style-type: none"> ◆ 13-18 Shelter ◆ Transitional Housing, site supported housing ◆ Student housing ◆ Housing supports including Housing First services, tenant education and advocacy 	<ul style="list-style-type: none"> ◆ Supported, accessible and adaptable housing 	<ul style="list-style-type: none"> ◆ Affordable family-friendly rentals ◆ Supported transitional and permanent housing for Mothers with Children at risk ◆ Affordable homeownership 	<ul style="list-style-type: none"> ◆ Women and families who have escaped violence: transitional and second stage housing 	<ul style="list-style-type: none"> ◆ Accessible rentals housing ◆ Inclusive housing for at-risk LGBT2Q community ◆ Low barrier rental housing for persons with mental health and substance misuse 	<ul style="list-style-type: none"> ◆ The Aboriginal Off Reserve Housing Needs Study (2014) called for greater supply of affordable housing for youth, families, young parents, older people, and for those with severe barriers to housing

