



Housing Needs Overview

Prepared for Regional District of Nanaimo, Nanaimo, Parksville, Qualicum Beach | January 2009



Highlights – Housing Needs Overview

This report is a descriptive analysis of the current housing needs of residents whose income is “at or below the annual median income” in six of the seven electoral areas of RDN, Nanaimo, Parksville and Qualicum Beach.

From our interviews with housing providers, local government planners and social service agencies, it is evident that some segments of the population find it very difficult to secure and maintain adequate housing that is affordable. There are **four broad groups** that are particularly challenged to find suitable affordable housing.

1. Income Assistance Recipients.

People whose sole source of income is provided by the BC Government in the form of income assistance or disability assistance have the greatest challenges and the least choice in the housing market. Almost 8,300 residents between birth and age 64 receive income assistance, representing about 5.6% of the region’s population.

2. Low Income Workers.

Nanaimo area residents who work in low wage sectors, typically retail and services, also struggle to find suitable, affordable housing. The average hourly wage of service sector employees falls in the range of \$8.10 (fast food cook) to \$15.00 (housekeeping supervisor in a resort hotel). Drawing from 2006 Census data, in both the Parksville and Nanaimo Census Agglomerations, 90% of people with employment income between age 15 and 24 made less than \$25,000 annually.

3. Retirees on Fixed Incomes.

Many seniors with fixed incomes also have challenges finding suitable, affordable housing. Currently, 21,200 residents of the region receive Old Age Security; of these, 7,200 receive partial or a maximum Guaranteed Income Supplement, representing almost 5% of the population. Today, one in five regional residents is age 65 or higher; by 2018, this will be one in four.

4. Moderate Income Families.

Couple families earning between 80% and 120% of the median income (approximately \$50-\$80,000) find it difficult to purchase an entry-level home in the Nanaimo area without spending considerably more than 30% of their income on housing¹. In the Nanaimo Census Agglomeration, 6,000 married couple families had incomes in this range in 2005, about 32% of all married couple families. The equivalent figure in the Parksville Census Agglomeration was 2,470, about 35% of all married couple families.



The individuals and families that fall into the first three groups view housing as shelter, not wealth generation. A safe, private and affordable place to call home is likely always to be rented accommodation. People on income assistance and low-wage workers have very little ability to acquire assets, whether a car, a home, a savings account, or a private pension.



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¹ 30% of household income is a widely-used measure in the housing and banking sectors. Households who make less than the median income and must pay more than 30% of their income on housing are generally considered to be paying too much for housing and may be compromising their ability to pay for other necessities.

Comment On Unique Circumstances

Within these broad groups there are sub-groups with special needs who find it exceptionally difficult to find housing:

- Low income families, particularly large families, Aboriginal families, recent immigrants and young single parents;
- Mental health clients, including adults, children and geriatric;
- Elderly frail seniors; younger seniors, Aboriginal seniors;
- Youth (16-25) and men (age 25-45) at risk of being homeless;
- Women in vulnerable situations; and
- Temporary foreign workers.

- Some mental health clients and people on disability live in reclusive settings, ranging from converted sheds, on boats, or in campers;
- There are aging seniors, many of whom have lost a spouse, who face transportation challenges and are looking for affordable supportive housing in a non-urban setting. This has been well documented in the community of Bowser;
- Low income workers find accommodation in the form of suites, mobile homes, and non-conventional accommodation options such as converted garages, sheds and campers, particularly in Electoral Area F. Often the housing conditions are substandard;
- Mobile home parks are a notable housing type in rural areas of the region, particularly in Electoral Areas A and F. Housing in Coombs, Errington, Hilliers, South Wellington, Extension, Cassidy and Cedar is

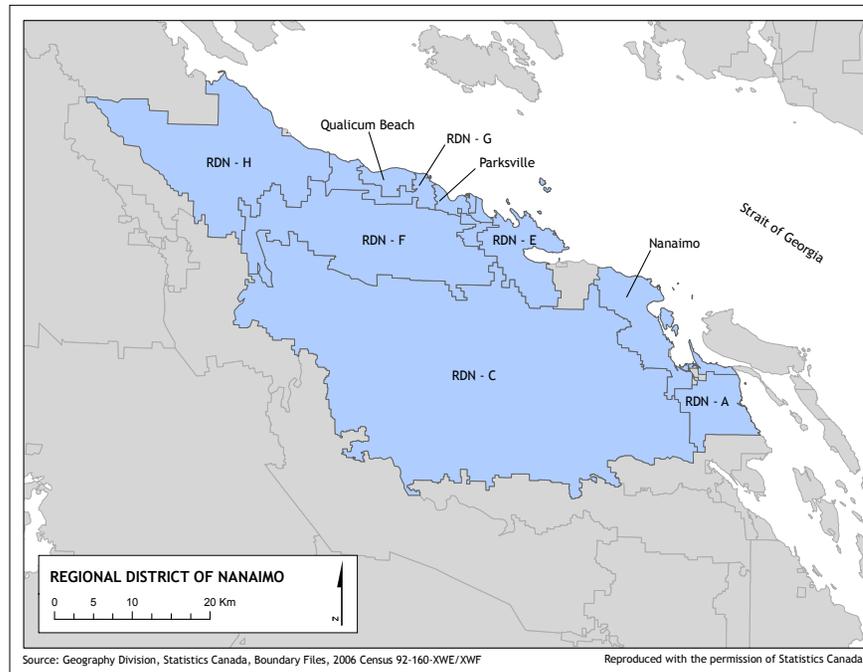
Comment On Rural And Urban Settings

Together, the urban centres of Nanaimo, Parksville, Qualicum Beach and Lantzville make up over 70% of the population of the region – estimated at about 110,000 in 2008 figures. Approximately 40,000 live in rural and semi-rural communities stretching from Cassidy to Bowser.

Rural Areas

From a housing needs perspective, in terms of the rural parts of the region, from our interviews and tours, it is evident that:

- There is a widely scattered population of low income households, with the greatest concentration in Electoral Areas F, and H. Living conditions vary from mobile home parks and small older homes;



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variable; there is visible evidence of substandard housing; and

- The rural areas have a notable percentage of dwellings in need of major repair, in particular Electoral Areas A, C, F and H.

Oceanside

The Parksville-Qualicum Beach and surrounding area, widely referred to as Oceanside, have unique housing needs:

- Low income workers, working in retail, tourism, and health services, find it particularly challenging to secure adequate affordable housing in Oceanside. Some workers commute from rural areas or Nanaimo;
- Seniors on Fixed Incomes, reliant on OAS, GIS and SAFER², find it increasingly difficult to find affordable, suitable housing. This is a particular problem for single seniors;
- Mental health clients (adults, youth) have few housing options in Oceanside. While some can live independently, a number require housing with supports. Currently, there is no supportive housing in Oceanside for this group; and
- Moderate income families also have considerable challenges finding suitable housing. This is partly related to price, and partly related to lack of housing being built for families, as developers prefer to cater to the well-established seniors population.

Nanaimo

The City of Nanaimo has undertaken a number of housing studies and has been an active participant in working with

community interests to address housing needs. From our interviews with key informants, we can confirm:

- There is an urgent and pressing need for rental housing for low income families with children, and mental health clients. The number of people on waiting lists for non-profit housing continues to grow;
- Most people who are street homeless or at-risk of becoming homeless gravitate to Nanaimo. The City, BC Housing and community partners are currently implementing a homelessness strategy which will provide an additional 160 units of supportive housing on five sites; and
- Women in vulnerable situations, Aboriginal families, low income youth and young lone parents are others who find it extremely difficult to secure stable, safe, affordable housing.

Government Tools And Approaches

In BC, the Provincial government has taken both proactive and facilitative approaches to the broad sphere of housing. In relation to **affordable** housing, the government is involved in several ways:

- Channeling funding for housing and rent assistance to individuals through BC Housing;
- Using tax measures to influence housing affordability;
- Undertaking policy research related to housing and
- Amending legislation to provide local government with more tools that can be used in relation to affordable, rental and special needs housing.



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² OAS – Old Age Security, GIS – Guaranteed Income Supplement, SAFER – Shelter Aid for Elderly Renters

Local Government Legislation

From a legislative context, BC has both regulatory and empowering statutes related to housing. These are described in detail in the main report. In summary:

- The *Local Government Act* sets out specific requirements (e.g., OCP) and specific opportunities (e.g., amenity zoning) in Part 26;
- The *Community Charter* provides municipalities with flexibility to use their regulatory powers in a way that responds to local issues and priorities. If housing is a significant local issue, municipal councils can be proactive. (Note: This authority does not yet extend to regional districts).
- The *Building Code* contains specific provisions for new Secondary Suites.

Other Local Government Initiatives

Together with health and social service providers, local governments have the earliest warning and clearest understanding of the community’s housing needs. And, they are a logical entity to facilitate multi-stakeholder discussions.

Non-Profit Housing Providers

There are currently 1,299 units/beds provided by BC Housing and non-profit housing providers, accommodating families, seniors, the frail elderly, homeless and transitional clients in the region. Eight-six percent of all units are located in Nanaimo. Only five non-profit housing societies provide housing for low income families.



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1. INTRODUCTION

The Regional District of Nanaimo (RDN) has commissioned CitySpaces to undertake a Regional Housing Affordability Study. The study's foundation and framework are found in the RDN's 2006-09 Strategic Plan and the Regional Growth Strategy. The Strategic Plan's vision identifies housing choice and affordability as essential elements of a socially healthy region, and the Regional Growth Strategy contains strong provisions related to urban containment, nodal development and rural integrity.

This Housing Needs Overview has been jointly funded by the RDN, Nanaimo, Parksville and Qualicum Beach¹. Further research and a final report will be funded solely by the RDN.

2. CONTENTS OF THIS REPORT

This report is a descriptive analysis of the current housing needs of residents whose income is "at or below the annual median income" in six of the seven electoral areas of RDN, Nanaimo, Parksville and Qualicum Beach. The material is drawn from statistical data from a variety of sources, and enriched by the experiences and perspectives of more than 30 "key informants" who were interviewed by the consultants during November and December 2008. A list of key informants is provided in Appendix A. Supporting data for the housing needs overview is compiled in Appendix B.

There are three main components to this report:

- **Places:** A statistical snapshot of each electoral area and municipality;
- **People:** A descriptive profile of area residents who are least able to find and afford adequate housing at market rental or ownership rates. Specific sub-groups are also identified; and
- **Government:** A review of the role of government in helping to meet housing needs, with a special focus on the legislative tools and approaches available to local government.

3. PLACES

The 2006 Census of Canada provides comprehensive and relatively recent statistical information for geographies that align to local government boundaries. This section of the report, which draws heavily on the 2006 Census, provides a capsule summary of key data most relevant to housing needs for each of the nine geographies covered in this study. Appendix B provides more statistical detail for each jurisdiction, along with GIS-generated maps, that depict variations across the region for a number of key indicators.

- **RDN – EA "A": Cedar, South Wellington and Cassidy.**
Electoral Area A has a relatively large household size (2.4 persons) with a median income of \$62,816 for couple families. In comparison with other jurisdictions, it has the highest proportion of dwellings requiring major repair, the highest proportion of dwellings built before 1986, and the second highest ratio of "other" types of housing,



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¹ Lantzville was not a participant and no data is reported for that community.

which includes mobile homes. The 2006 population was 6,750.

- **RDN – EA “C”:
Extension, Nanaimo
Lakes.**

With a population of 2,500, it is the smallest, but has grown the fastest of the nine jurisdictions – 30% since 2001. Its residents are the youngest, with the lowest median age of 42.7 years, and it is home to the biggest households (average household size = 2.7 persons) and the highest median income for couple families (\$71,411). Along with the City of Nanaimo, it has the highest Aboriginal population ratio. It has a relatively high proportion of

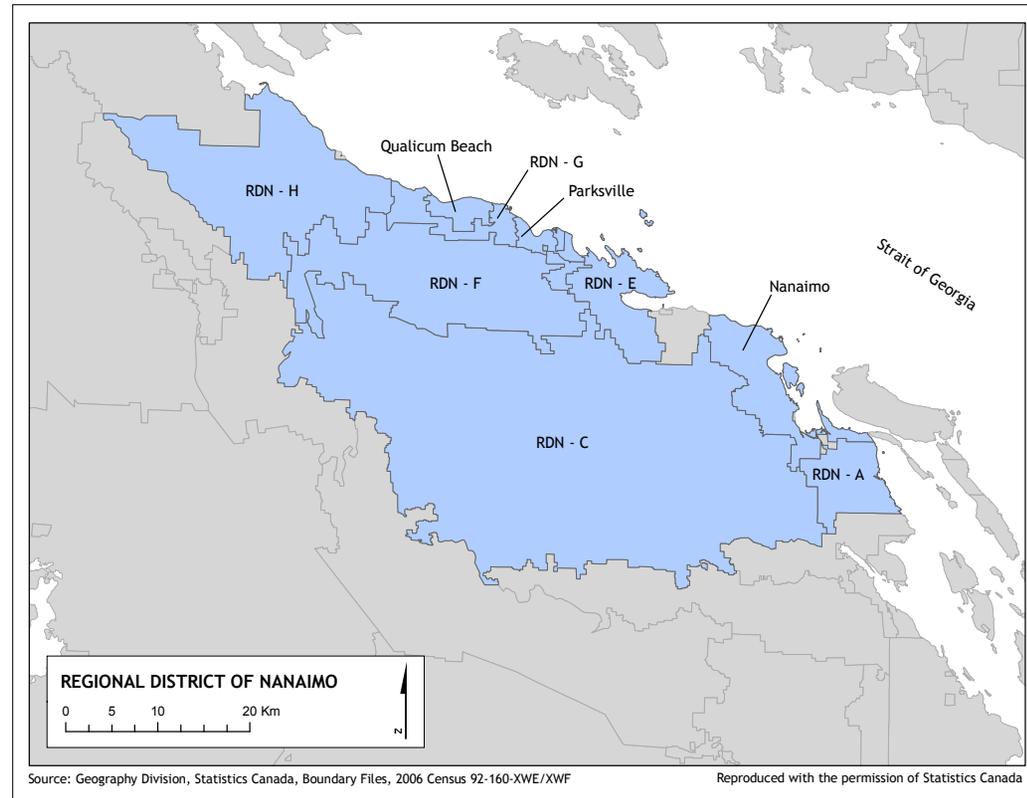
dwelling requiring major repair and “other” housing types, including mobile homes. A high proportion of residents work outside EA “C” (62%), suggesting that it may be a location of choice for people working in Nanaimo.

- **EA “E”:
Nanose Bay.**

Nanose Bay is characterized by the second highest median couple family² income of the nine jurisdictions and lowest percentage of dwellings requiring major repairs. It also has a relatively high median age of 54.7 compared to the other communities, lower only than Parksville and Qualicum Beach.

- **EA “F”:
Coombs, Hilliers, Errington.**

Electorate area F has experienced rapid growth – 20% since 2001 – and has the second youngest median age (43.9



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² Couple family refers to a married or common-law couple with or without children of either or both parents with at least one child living in the same dwelling.

years). It has a relatively low median income, high incidence of low income, and high unemployment rate. The residents of Electoral Area F are transient, with 22% having moved within the last year. This parallels a high proportion of rented dwellings (24%), second only to Nanaimo.

- **EA “G”: French Creek, San Pareil.**

This mid-size electoral area wraps around the Town of Qualicum Beach and has a moderate median income, the lowest incidence of low income and a relatively small percent of dwellings requiring major repair. A high proportion of residents (54%) work outside the electoral area.

- **EA “H”: Bowser, Qualicum Bay.**

With a small population and relatively high median age (53.8 years), Electoral Area H has the lowest median income, smallest household size and highest unemployment rate of the communities studied.

- **City of Nanaimo.**

With a population of approximately 79,000 people, the Nanaimo is the largest urban centre in the region. It has a young population with a median age of 43.2 years, and is second youngest of the nine jurisdictions, but still older than the BC median age of 40.8 years. As a relatively big centre, Nanaimo is a destination for people moving to the region and experiences a high rate of mobility: almost one-fifth of the population moved between 2005 and 2006. It has the highest percent of rented dwellings (29.5%) and the lowest proportion of people who worked outside their local jurisdiction. Nanaimo has the highest incidence of low income (17.8%) among the nine jurisdictions. Along with Electoral Area C, Nanaimo has the highest percent Aboriginal population at 5.2%.

- **City of Parksville.**

Parksville’s community of approximately 11,000 people has a median age of 55 years, making it the second oldest among the nine communities studied. Notably, it has the highest percentage of residents age 80 and more. Parksville is towards the low end of the median income range and has the third highest incidence of low income (12.3%). There is considerable mobility in Parksville, with approximately 19% of residents moving between 2005 and 2006. It has a high rental rate (23.4%) and the smallest average household size at 2.1 persons.

- **Town of Qualicum Beach.**

With a median age of 60.9 years, Qualicum Beach is the oldest of the nine communities, and considerably older than the BC median of 40.8 years. Qualicum Beach has a relatively low median income for couple families, and the lowest labour force participation rate. Its building stock is in good shape: the town has the lowest percent of dwellings requiring major repair and lowest percent of dwellings built before 1986. The data indicates that the Town of Qualicum Beach has no dwellings in the category “Other”, which includes mobile homes, however it is known that there is one mobile home park in the community. Similar to Parksville and Electoral Area H (Bowser, Qualicum Bay), it has a small average household size (2.1 persons). It has the lowest Aboriginal population percentage at 1.8%.



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4. PEOPLE

From our interviews with housing providers, local government planners and social service agencies, it is evident that some segments of the population find it very difficult to secure and maintain adequate housing that is affordable. There are four broad groups that are particularly challenged to find suitable affordable housing.

1. Income Assistance Recipients.

People whose sole source of income is provided by the BC Government in the form of income assistance or disability assistance have the greatest challenges and the least choice in the housing market. Eligibility and monthly assistance rates depend on income and asset levels, and the number of people in the household. At present, the maximum shelter allowance for a single person is \$375, and for a household of four people the shelter allowance is \$700. In October 2008, the average rent of one-bedroom unit was \$614 and \$750 for a two-bedroom unit. As of September 2008, almost 8,300 residents were receiving income assistance, representing approximately 5.6% of the region's population. This is high compared to the BC rate of 3.83%. It is important to distinguish between recipients on temporary assistance and those on continuous assistance, many of whom may have disabilities and are likely to need appropriate affordable housing on a long term basis, possibly over the course of their life.

2. Low Income Workers.

Nanaimo area residents who work in low-wage sectors, typically retail and services, also struggle to find suitable, affordable housing. Most of these workers are between 17 and 23 years of age; some commute from as far away as Port Alberni. Some workers, however, are over age 55. They are less likely than younger service workers to achieve career advancement, and more likely to stay on a low-wage income. Some senior workers may be working for non-economic reasons, for example, social interaction or to stay active during retirement. From the consultant's scan of job advertisements, the average hourly wage of service sector workers falls in the range of \$8.10 (fast food cook) to \$15.00 (housekeeping supervisor in a resort hotel). At the lower wage, assuming the worker is employed full-time, his or her monthly income before taxes and other deductions would be \$1,215. At the higher wage, their monthly income would be \$2,250. The lack of affordable housing for minimum wage and service industry workers was of particular concern in the Oceanside area and in Nanaimo. In some cases, young working adults move back to their parents' homes as an affordable housing option.

3. Retirees on Fixed Incomes.

Many seniors with fixed incomes have challenges finding suitable, affordable housing in the Nanaimo region. Almost all of today's seniors receive income from Canada's Public Pensions through the Old Age Security (OAS) program and the Canada Pension Plan (CPP). For the period January-March 2009, the average monthly benefit from OAS for a retired person age 65 or older is set at \$490 (indexed quarterly to the Consumer Price Index). Low income Canadians can also apply for the Guaranteed Income Supplement (GIS) which provides up to \$450 monthly. Currently, 21,200 residents of the region receive OAS; of these, 7,200 receive partial or a maximum GIS. RDN has the second highest median age among BC's 29 regional districts – 43.9 years. Today, one in five regional residents is age 65 or higher; by 2018, this will be one in four.



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People who fall into these three groups are often somewhat or totally dependent on public transit. From our interviews, there is a widely-shared view that most people in these circumstances gravitate to urban centres, particularly Nanaimo, and to a some extent to Parksville. Living in a larger urban centre – with access to transit – makes it easier and more affordable to access work, friends, and services. It also provides a wider choice of rental housing, including basement suites, non-market rental projects, and the low-end of market rental apartments.

The individuals and families that fall into the three above-described groups view housing as shelter, not wealth generation. A safe, private and clean place to call home is likely always to be rented accommodation. People on income assistance and low-wage workers have very little ability to acquire assets, whether a car, a home, a savings account, or a private pension.

4. Moderate Income Families.

Couple families earning between 80% and 120% of the median income (approximately \$50-\$75,000) find it difficult to purchase an entry-level home in the Nanaimo area without spending considerably more than 30% of their income on housing³. Although there has been a welcomed decline in both sale prices and mortgage rates for prospective purchasers during the past eight months, this must be weighed against other factors – potential layoffs or job losses, a sharp reduction in new housing starts, and more conservative lending practices. In the short term, some couple families contemplating their first home purchase will remain renters; others will be able to take advantage of what may be a temporary reprieve in housing prices. In contrast to the three previously-described groups, residents with moderate incomes do have choice in the housing market, and, with time, are likely to get a foothold in the ownership market, gradually building financial equity.

4.1. GROUPS WITH UNIQUE CIRCUMSTANCES

The previous section provided a capsule summary of the four groups that face challenges in securing decent, affordable housing. This section describes certain sub-groups that are experiencing exceptional challenges due to their unique circumstances.

Low Income Families With Children

- Finding affordable rental housing is identified as the primary challenge for families with children. Units with two or more bedrooms located close to schools and services are very difficult to find. There are long waiting lists for non-market family housing, far exceeding the 326 family units that are available in the Nanaimo region.
- With a CMHC reported vacancy rate of 1.5% for a 2-bedroom in Nanaimo (0.3% in Parksville), private market landlords have many applications for any vacant unit. Applicants with young children are generally viewed as

³ 30% of household income is a widely-used measure in the housing and banking sectors. Households who make less than the median income and **must** pay more than 30% of their income on housing are generally considered to be paying too much for housing and may be compromising their ability to pay for other necessities.



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poorer prospective tenants than individuals or couples without children. Those without previous rental references or lacking a credit history have extra challenges. And, according to several interviewees, there is both tacit and explicit discrimination on the basis of race and age.

- The Aboriginal community faces particular challenges, many of whom have left their reserves to venture to larger urban centres. Here, they face the need to adapt to urban life, a loss of traditional culture and unfamiliar rules and regulations. They may find themselves living with relatives while they try to find work, often in living in over-crowded conditions with adults and children. These additional stressors exacerbate the challenge of finding stable and adequate housing.
- Recent immigrant families were also identified as another sub-group that struggles to find affordable housing. The parents, typically in their 30s with young children, are often skilled and educated, but employed below their skill level. This can happen when educational qualifications obtained elsewhere are not recognized in Canada. Others face literacy barriers in English, and in some cases may have low skills in their first language. Literacy issues often prove to be a particular challenge when families apply for rental housing.
- Health and safety are also major concerns. Often, what is affordable is substandard. Social service providers described units with mold, vermin, mice or dirt floors – over-crowded, and/or located in areas that are considered unsafe because of drug-related activity, crime, and prostitution. Residents are hesitant to complain about the conditions for fear of being hassled or evicted. They may also be reluctant to move away from their children’s school catchment area.

Mental Health Clients – Adults And Youth

- Many people with persistent mental health challenges live on low incomes and have difficulty securing adequate and affordable housing. More often than not, they live in substandard accommodation. Typically, in the rural electoral areas this might be a converted garage, shed, boat, or camper. In urban areas they tend to be secondary suites, and shared small apartments.
- Mental health clients have varying capacities to function independently. Generally, the provision of support services is an important aspect of housing. Some individuals require crisis services from time to time, others may need regular supervision, for example, bi-weekly check-ins with mental health workers who can assess their condition and compliance with medication.
- Other individuals with challenging behaviors may require housing in a facility that is staffed 24/7. The most acute mental health and addictions clients, many who are post-psychiatric and have not stabilized, require intensive supports. Others are dealing with mental illness as well as a physical disability. Some individuals with mental illness have been involved with the criminal justice system, and have a particularly challenging time obtaining affordable and adequate housing.



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- There are no supportive housing facilities for psycho-geriatric mental health clients in the mid-Island. These individuals often experience earlier onset of typical geriatric health issues (e.g., vision and hearing loss, memory loss, and physical challenges associated with diabetes and other chronic conditions).

Working People With Substance Abuse Issues

- One sub-group of individuals at risk of ending up on the streets was identified in the Nanaimo area. This is a group of employed individuals with substance abuse issues. Much of their income goes toward supporting their habit and while they may not be on the street now, they are at risk of being so if they cannot afford to pay for housing.

Elderly Seniors

- Another sub-group of seniors is 85 years of age and older. Predominantly female, this sub-group experiences mobility and disability issues, such as impaired vision. They typically live on their own with little family support. Those with low incomes may receive a SAFER (Shelter Aid for Elderly Renters) subsidy, but still struggle to make ends meet. Many have grown old in the Nanaimo area; fewer have moved more recently to be close to children, who are not always able to care for them. They have difficulty accessing information about suitable affordable housing – many do not have computers and struggle to read much that is in small print. Transportation is a big challenge for this group of seniors. They rely on transit or family, friends and volunteer organizations to take them shopping and to medical appointments. These elderly seniors tend to fear for their personal safety. In particular, they are reluctant to move to affordable housing in areas that they understand to have a higher incidence of crime.

Younger Seniors

- A second sub-group consists of low-income, younger seniors, 65-85 years, who struggle to meet their housing needs. Often this includes single seniors who have lost a spouse and find themselves in financial difficulty, and must rely on only the OAS pension with a SAFER rental subsidy. People in this group no longer live in their family home, and seek out smaller rental accommodation. Some have family pets and find their rental choices limited. Many want to remain independent, bringing in help as required. Others will be without the ability to drive, and need to rely on friends, fellow church members and community support for transportation help. Some low-income senior couples fall into this category as well.

Moderate Income Seniors

- A third sub-group of seniors are those with public pensions plus private income who require support services but are unable to afford the costs of a private facility. In 2007, the 211 Housing Society (now operating as the Bowser Seniors' Housing Society) undertook a seniors' supportive housing needs assessment. The study showed that the demand for a supportive seniors' housing project will increase rapidly over the next five to ten years.



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Aboriginal Seniors

- It was noted that Aboriginal elders are another sub-group. These individuals find themselves on their own with little family support, or alternatively living with families in very crowded conditions.

At Risk Of Being Homeless – Youth, Age 16-25

- Young people who have few healthy social supports, incomplete education and few opportunities to build confidence are a population at risk of homelessness. Often from challenging circumstances such as children in foster care, these young people lack future opportunities. Many have no place to live which limits their chances of getting a job. The younger individuals in this category – those 16-19 years old – are particularly vulnerable. Many already are parents.
- Aboriginal youth are included in this category. Young Aboriginals, 17-25 years, often come from around the province to Nanaimo; some to find work, and others to go to school. The interviews indicated that both male and female youth experience unemployment and are receiving income assistance. They also suggested that there may be more young Aboriginal males living off-reserve with little family support who are facing housing challenges.
- Similar to the families described above, Aboriginal youth face discrimination, new rules and regulations, loss of culture and the need to adapt to an urban lifestyle that is very different from the life they left on the reserve. All of these challenges unfold in an urban setting that is currently unable to meet their housing needs.

At Risk Of Being Homeless – Men, Age 25-45

- There is a group of males aged 25-45 years who face multiple barriers including mental health issues, addiction, poverty, illiteracy, and criminal justice issues. These are hard-to-house marginalized individuals, predominantly male, who are homeless or at risk of homelessness. There is frequently little tolerance for integrating this group of individuals into communities. Interviews indicated that the larger centre of Nanaimo is not alone in facing issues of street homelessness and hidden homelessness, citing Bowser, Cedar and Qualicum Beach as locations where homeless can be found.

Women In Vulnerable Situations

- Women fleeing abusive situations can find themselves without affordable housing. The most vulnerable women in these situations often face extra challenges such as having limited education, lack of income, babies or young children to care for, disabilities or being an immigrant or transgendered individual. One social service provider noted that she is seeing more young women who are pregnant or have young children, and are at risk of violence. This includes women who have worked the street, have few opportunities to reintegrate into the workforce and are at risk of returning to their former lifestyle. Without adequate accommodation, they may have no alternative but to return to their former housing situation that puts them at risk again of violence or abuse.



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Temporary Foreign Workers

- Temporary foreign workers perform essential jobs within the Nanaimo region – primarily as caregivers to seniors, but also as hospitality workers at resorts. Usually, these workers are provided with live-in housing, but conditions vary. Workers are reluctant to report poor housing conditions.

Students

- Students, in particular at Vancouver Island University (VIU), formerly Malaspina University-College, struggle to find affordable housing within a reasonable distance from the university. Many who apply for on-campus housing are turned down. In the fall of 2008, 650 new applicants applied for approximately 200 of 386 single rooms that were not occupied by returning students. Transportation is frequently a challenge because of the lack of accommodation close to the university and many students do not own cars. The university runs home stay and peer stay programs that place international students in homes with families - this group of students face additional language and cultural challenges that make it difficult to find housing.



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5. LOCAL GOVERNMENT – TOOLS AND APPROACHES

Across BC, local governments are taking an increased interest in affordable housing for people who live and work in their communities. This section of the Housing Needs Overview begins with a short description of the evolving historical role of governments in Canada in relation to affordable housing, followed by a more detailed description of the current policy, legislative and funding framework in BC.

5.1. HISTORICAL CONTEXT

Beginning in the 1930s, the Federal government assumed a proactive and instrumental role in building and managing affordable housing across the country. Canada Mortgage and Housing Corporation (CMHC) was established in 1946 to address Canada’s post-war housing shortage. While CMHC’s programs varied over the decades, the Federal government continued to be the primary initiator and funder of new affordable housing⁴.

In 1992, when interest rates were historically high, and the Federal government was running large deficits, there was a strategic decision by the Government of Canada to withdraw from its active role as a housing provider and funder of new projects⁵. By default rather than design, provincial and local governments became much more involved in affordable housing.

5.2. PROVINCIAL CONTEXT

In BC, the Provincial government has taken both proactive and facilitative approaches to the broad sphere of housing. In relation to **affordable** housing, the government is involved in several ways:

- Channeling funding for housing and rent assistance to individuals through BC Housing.
- Using tax measures to influence housing affordability.
- Undertaking policy research related to housing.
- Amending legislation to provide local government with more tools that can be used in relation to affordable, rental and special needs housing.

5.3. BC HOUSING

BC Housing has a broad mandate. The Commission (established in 1967) is an agency of the Provincial government, its sole shareholder. BC Housing plays a vitally significant role in helping to meet the housing needs of BC’s most vulnerable residents. (www.bchousing.org)

⁴ The term “social housing” rather than “affordable housing” was in widespread use during the period, 1930 through 1990.

⁵ Note: The Federal government has continued to provide targeted financial assistance. The National Homeless Initiative, initiated in 1999, is an example of this type of assistance.



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- The agency works with hundreds of non-profit organizations and local governments to increase housing options through such capital/operating programs as the Provincial Homelessness Initiative, Housing Outreach, Aboriginal Housing, and Seniors' Supportive Housing.
- BC Housing also maintains and administers the current inventory of social housing – about 63% of BC Housing's budget is allocated to subsidies to support non-profit housing providers. This includes subsidies to 7,800 units of directly managed housing, 300 group homes, and approximately 59,000 units managed by 720 non-profit and cooperative housing providers.
- The agency also manages two rent assistance programs – Shelter Aid for Elderly Renters (SAFER) and the Rental Assistance Program (RAP).
- BC Housing also manages the \$250 million Housing Endowment Fund established by the BC Government in its 2006 budget. The investment revenue is paid out to encourage new ideas and support innovative housing
- BC Housing's 2007-2008 budget is \$505.1 million. This is allocated in the following ways:
 - Emergency shelter and housing for the homeless: \$80.4 million
 - Transitional supported and assisted living: \$92.8 million
 - Independent social housing: \$256.9 million
 - Rent assistance in the private market: \$75.0 million

5.4. TAX MEASURES

The government uses its taxing authority to address affordability. The Ministry of Small Business and Revenue administers the Property Tax Deferral Program, and the First Time Home Buyers' Property Transfer Tax Exemption.

- The deferral program is a loan program that allows a homeowner to defer annual property taxes if they meet the eligibility criteria – the principal criterion being age (55+).
- The exemption program, introduced in 1994, is designed to help British Columbians purchase their first home through an exemption from the Property Transfer Tax if the fair market value of the home is less than a threshold amount. In 2008 the threshold was set at \$450,000.

In November 2008 the Premier announced additional tax-related measures to help BC's homeowners in the face of a declining and turbulent economy.

- The creation of a new and temporary two-year property deferral program for homeowners who are experiencing serious financial difficulties who have at least 15% equity in their homes.



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- The locking-in of property assessment values. For the 2009 Property Assessment Roll only, BC Assessment provide property owners with the market value of properties as of both July 1, 2007 and July 1, 2008. The lower of these two values will become the 2009 assessed value.

5.5. POLICY MEASURES:

The Housing Office (www.housing.gov.bc.ca/housing/) is responsible for developing provincial housing policy, strategies and programs and for providing policy advice on specific issues such as the residential construction industry, leaky condos, housing markets, social housing, homelessness, housing for persons with special needs, and the role of local government in housing. The Office also publishes research and guides on housing issues. Most recently, this group led the government’s initiatives in the new (Green) *Building Code*, which includes changes to permit the construction of six-storey wood frame housing.

- In recent years, the Provincial government has refocused its housing strategy. In 2006, the government issued the document, *Housing Matters*, which sets out five strategic directions:
 - ▶ The homeless have access to stable housing with integrated support services;
 - ▶ BC’s most vulnerable citizens receive priority for assistance;
 - ▶ Aboriginal housing need is addressed;
 - ▶ Low income households have improved access to affordable rental housing; and
 - ▶ Homeownership is supported as an avenue to self-sufficiency.

5.6. PROVINCIAL LEGISLATION FOR LOCAL GOVERNMENT

From a legislative context, BC has both regulatory and empowering statutes related to housing. In summary:

- The *Local Government Act* sets out specific requirements (e.g., OCP) and specific opportunities (e.g., amenity zoning) in Part 26;
- The *Community Charter* provides municipalities with flexibility to use their regulatory powers in a way that responds to local issues and priorities. If housing is a significant local issue, municipal councils can be proactive. (Note: This authority does not yet extend to regional districts).
- The *Building Code* contains specific provisions for new Secondary Suites.

The *Local Government Act* contains a number of specific provisions related to housing – these apply equally to municipalities and regional districts:

- Requires an Official Community Plan to include housing policies of the local government respecting affordable housing, rental housing and special needs housing (Section 877);



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- Provides flexibility to allow higher density (bonus zoning) in return for the provision of community amenities, including affordable and special needs housing (Section 904);
- Enables a local government to enter into a housing agreement with a land owner regarding the occupancy of the housing units in terms of tenure, classes of person, administration of the housing units, rents and lease, sale or share price. This housing agreement is registered on the land title and is binding on future owners (Section 905);
- Provides authority to impose Development Cost Charges (DCCs) to raise funds to assist in paying capital costs for employee housing related to the operation of resort activities. Note: This applies only in “resort regions” and is a 2007 amendment to the LGA (Section 919);
- Provides authority to waive or reduce a DCC for not-for-profit rental housing, including supportive living housing, for-profit affordable rental housing, and a small lot subdivision designed to reduce greenhouse gases (Section 933); and
- Allows for variation of DCCs according to different sizes or different numbers of lots or units in a development (Section 934).

The *Charter*, brought into effect in January 2004, gives municipalities the authority to legislate in relation to a number of broadly stated “spheres of jurisdiction”. Under the pre-2004 *LGA*, the specific detail of a regulatory power was set out; if there was no mention of a specific power, a local government had no authority to take action. In relation to housing, the former *LGA* was limiting. In contrast, the *Charter* provides a municipality:

- More flexibility to identify and provide any service that Council considers necessary or desirable (Section 8.2), such as housing;
- Clear authority to regulate in three ways: the power to regulate, the power to prohibit and the power to impose requirements (Section 8.7);
- Ability to waive / reduce fees and charges when land or improvements are owned or held by a charitable, philanthropic or other non-profit corporation (Section 224);
- Ability to waive / reduce fees and charges for land or improvements that are subject to an eligible “partnering agreement” (Section 225); and
- Authority to establish a tax exemption program for an area designated as a “revitalization area”. The program can stipulate the kinds of property eligible, the term of the exemption, and other conditions (Section 226).

The *Local Government Act* also stipulates that the *BC Building Code* applies to all municipalities. Part 9.36 of the *Code* applies to “Secondary Suites”. This was incorporated following a comprehensive policy review and resulted in reduced requirements for things such as ceiling heights, and fire safety provisions. The amended *Code*, however, does not apply to



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existing suites. To deal with this gap in the *Code*, some municipalities have opted to establish their own framework of “equivalent requirements” for existing suites in the interests of facilitating their legalization.

The *Strata Property Act* also comes into play in relation to rental housing. In order for an owner to convert an existing rental building into strata lots, s/he requires approval of the “approving authority”. In reviewing a proposed conversion, the *Act* specifically allows an approving authority to consider, among other things, “the priority of rental accommodation over privately owned housing in the area.” If the approving authority approves the conversion, s/he may impose conditions.

5.7. BEYOND THE LEGISLATION

Outside of the specific provisions of the *Community Charter* and the *Local Government Act*, local governments in BC have gradually become more active in housing. Together with health and social service providers, local governments have the earliest warning and clearest understanding of the community’s housing needs. And, they are a logical entity to facilitate multi-stakeholder discussions. Larger BC municipalities have taken the step of assigning staff to work specifically on housing-related matters. In most BC municipalities, however, limited resources preclude doing this and, instead, they must make progress incrementally, juggling competing community interests and Council priorities.

Partnerships have proven to be the best way to increase the supply of affordable housing. With limited government funding and borrowing, there has been an interest in exploring other funding sources, including the philanthropic sector and local government. In BC, community organizations such as the Vancouver Foundation, the BC Real Estate Foundation and other charitable groups have been a source of grants for some housing providers, primarily directed towards a specific purpose rather than on an ongoing basis.

- Typically, local governments provide either land or staff resources, or a combination of both. A few local governments have a long history of land banking for affordable housing (e.g., Saskatoon, Vancouver), but most local governments have few and scattered land holdings, and these are not always well located for housing purposes. However, if land is a possible contribution to a partnership, this is significant – whether in the form of a long-term lease at below-market rates, or as a discounted sale. Other forms of contribution to a partnership are such items as reduced fees and charges, and fast-tracking approvals. Rarely do local governments provide any cash contribution, or become involved in mortgage financing.
- Local governments sometimes become partners with a non-profit housing provider and *BC Housing* to build (or acquire) more housing to meet the needs of people who live or work in the community. It is essential to understand that the greatest component of non-market rental housing is the **operating subsidy** (monthly subsidy to make up the shortfall between rents and actual operating costs, including mortgage payments). BC Housing is the only source of operating subsidies and the agency must target its resources to specific groups, usually those in greatest housing needs with the least choice in the housing market.



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- Currently, BC Housing's programs are tightly focussed on people who are homeless or at-risk of homelessness. The Independent Living program for seniors is wrapping up, as is the Seniors Supportive Housing program.
- In the last several years, there has been a renewed interest in creating partnerships to assist people with minimal equity to become *home owners*. Habitat for Humanity is probably the best known organization to focus on home ownership. CMHC has relaxed its conditions regarding mortgage insurance and lenders have become more creative by providing prospective home owners with more choice and flexibility in the mortgage market. Amortization periods of 40 years have become acceptable among conventional lenders, thereby reducing monthly cost for purchasers.

Private market developers are also potential partners, particularly in projects that involve homeownership. Some developers specialize in providing housing that designed for families and individuals with modest incomes and low or no downpayment. In southern Alberta, Classic Construction Limited is a firm well-known for its commitment to affordable housing.

Lending institutions can also be viewed as potential partners. Through innovative mortgage products (e.g., laddered mortgages, springboard mortgages, second mortgages) individuals and families that have good credit records but limited cash flow can ease their way into homeownership. Local credit unions and bank branch offices are also a potential source of advice; some offer homeownership literacy programs.



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TABLE 1 presents a range of approaches/practices that BC’s local governments use to facilitate the development/ acquisition of affordable housing, or to protect the loss of existing affordable housing. As part of this study the consultants have interviewed planners from RDN, Nanaimo, Parksville and Qualicum, and examined OCPs and zoning bylaws from the perspective of affordable housing.

TABLE 1 – Overview Of Affordable Housing Approaches And Practices By Jurisdiction

Approach	Description of Practice	RDN	Qualicum Beach	Parksville	Nanaimo
Introducing policies and direction in OCP	OCPs include policy statement regarding affordable, rental and special needs housing.	RGS has policy re: social sustainability, mentions housing. EA A: seniors’ personal care units. EA H: social housing statement - special needs housing in any zone. EA G: recognizes affordable housing as an amenity.	Yes, general	Yes, general and specific	Yes, general and specific
Adopting an affordable housing strategy	Increasing number of municipalities in the region are adopting affordable housing strategies and dedicating additional staff resources to affordable housing.	Undertaking a preliminary study that may lead to a strategy	In work plan for 2009-2010	Aspects of a strategy contained in OCP.	Homelessness Action Plan (2008)
Encouraging private market development of affordable housing	Waiving or streamlining development fees to remove financial barriers; reducing fees specifically for affordable housing, seniors housing; reducing parking requirements	OCP policies support this		Yes, waive DCCs on case by case basis for non-profits. Considering parking reductions	Reduce DCCs by 50% for non-profits on a case-by-case basis.



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Approach	Description of Practice	RDN	Qualicum Beach	Parksville	Nanaimo
Introducing inclusionary housing	Inclusionary housing policies and zoning requirements require developers to construct a proportion of new residential development for affordable housing. A variant of this is “linkage” fees which are charged against commercial development.		Yes, with a cash-in-lieu option	Considering this. OCP policy for resorts to provide worker housing if a rezoning is triggered.	
Comprehensive Development (CD) Zoning	Comprehensive development zoning allows flexibility in allocating densities and specifying use and is commonly used by local governments.	Policy that allows rezoning in most OCPs. Use this zoning regularly, but not specific to affordable hsg.			Yes
Supporting infill and intensification	Small lot zoning; infill or intensification; zoning for housing above shops; comprehensive development zoning; pre-zoning and downzoning.	Many OCPs support this.	OCP supports downtown densification	Bylaw in preparation for small lots (400 m ²). Carriage houses, housing above first floor in downtown commercial zone (pre-zoned).	Yes
Bonus density zoning	Bonus density zoning is used to permit higher density or seek amenity contributions.	OCP EA G	Yes, on a case by case basis, but difficult to negotiate	Built into existing zones RS-2, RS-3; offer density bonus for affordable hsg.	Yes, on a case by case basis, but difficult to negotiate
Zoning for housing above shops	The creation of zoning districts for medium density development along commercial corridors with residential housing above retail.	Policies in many OCPs support this; incl. EA G.	OCP supports downtown densification	Yes, Downtown Commercial zone CS-1.	Yes



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Approach	Description of Practice	RDN	Qualicum Beach	Parksville	Nanaimo
Facilitating secondary suites	Secondary suites are an important way of meeting the demand for affordable rental housing and facilitating home ownership for entry-level buyers.	EA G supports this.	Policy in preparation	Yes, including carriage houses	Yes, plus bylaw approved for detached carriage houses
Prevent or replace the loss of existing affordable rental housing	Limitations on conversion of rental housing and direct replacement programs	No	No strata conversions when vacancy rate below 3%	Strata conversion monitor: rental below x%	3% vacancy rate
Create incentives to encourage the development of non-market housing	Municipalities have a range of incentive tools to increase the economic viability of affordable housing projects including using City-owned land, tax incentives, loans and grants.	No	Potential for future donation of land and/or money.	DCC waived on a case-by-case basis	Yes, 60-year leases on land but not loans, property tax exemptions.
Demolition policies	Rental housing is sometimes lost due to demolition and is most often replaced with ownership housing in the form of condominiums. Municipalities can introduce cash-in-lieu policies to minimize the loss of affordable rental units and displacement of renter households.	No		n/a	No
Housing reserve/ housing trust fund	Housing reserve or trust funds are distinct funds established to receive public revenues, which can only be spent on housing. A key characteristic of HRFs is that they receive ongoing revenues from dedicated sources of public funding such as development fees or loan repayments.	No	Have established a Fund but no \$\$ yet	n/a	Yes
Facilitate community partnerships	Housing agreements and public/private partnerships can be established to provide a means of securing affordable housing. The terms of these agreements can specify the form of tenure, the user groups, rent levels and management specifications.	No	Ongoing relationship with the Oceanside Affordable Housing Society.	Open to this but nothing at the moment.	Yes



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Approach	Description of Practice	RDN	Qualicum Beach	Parksville	Nanaimo
Establish a housing corporation	Municipal housing corporations are public non-profits created and partially funded by municipalities. They work with neighbourhood groups and agencies to provide affordable housing or use funds to develop, own and manage their own affordable housing property.	No	No, not intended	No, not intended	No, not intended
Work with non-profit housing providers to respond to changing needs of community	Identifying the needs through research and assessment is a key step in responding to change in a community. Municipalities can identify and work with potential partners to help address housing needs.	Doing this now.	Ongoing relationship with the Oceanside Affordable Hsg Society.	Housing Inventory Study	Yes
Gift or long-term lease municipally-owned land	Life lease models and deed restricted housing are approaches by which municipalities can establish units that are to be used perpetually for affordable housing.	No	Potential through the affordable housing fund.	Limited land base	Yes
Reducing land costs	Local governments can reduce the developer's costs by providing land at a reduced cost. Units can be bought back and managed as rental housing or sold at a reduced sale price to create affordable homeownership.	No		Limited land base	Habitat for Humanity
Innovative Housing Form	Rooming houses allowed	No			Yes, zoning & housing agreements
Partnering with senior levels of gvt to fund new units	Provincial Homelessness Initiative. MOU and agreement to fund and support housing units.	No			Yes



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Appendix A
List of Key Informants

Stakeholders Consulted – November And December 2008

Amco Homes

Peter Young, Sales Manager

Bowser Seniors Housing Society

Sally Barton

Canadian Mental Health Association

Mid-Island Branch/Phoenix House
Julie Triggs

Central Vancouver Island Multicultural Society

Jennifer Bricker, Immigrant Settlement Worker

City of Nanaimo

John Horn, Social Planner

Columbian Centre

Tom Grauman, Executive Director

District 69 Housing Society

Peter Drummond, President

Freeport Industries

Todd Venier, Principal

General George Parkes Senior Citizens Housing

Betty Barthel, Board President

Gordons' Homes

Jeff Wagner

Haven Society

Anne Spilker, Executive Director

Healthy Community Network for Seniors

(Oceanside Seniors Network)
Lola Cook

John Howard Society

France Tellier

M'akola Housing, Nanaimo

Yvonne Haggard

Nanaimo Affordable Housing Society

Jim Spinelli, Executive Director

Nanaimo and Region Services for Families

Gordon Cote, Executive Director

Nanaimo Independent Living Resource Centre

Charlene Riches, Executive Director

Nanaimo Youth Services Association

Steve Arnett, Executive Director

Nanaimo Telephone Visiting Society

Carly Gronlund, Program Coordinator

Nanaimo and District Senior

Citizens Housing Society

Matts Bergman

Oceanside Affordable Housing Society

John Olsen, President

Parksville Lions Housing Society

Duane Round, Past President
Laurie Nickerson, Executive Director

Parksville Town Hall

Blaine Russell, Manager of Current Planning

Qualicum Beach Town Hall

Paul Butler, Director of Planning & Luke Sales, Planner

Tillicum Haus Native Friendship Centre

Denise McKay

Vancouver Island Health Authority

Alison Millward

Western Student Housing

Margaret MacKenzie, Manager



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Appendix A-1

Appendix B
Factors Affecting Housing Need

APPENDIX B: Factors Affecting Housing Need

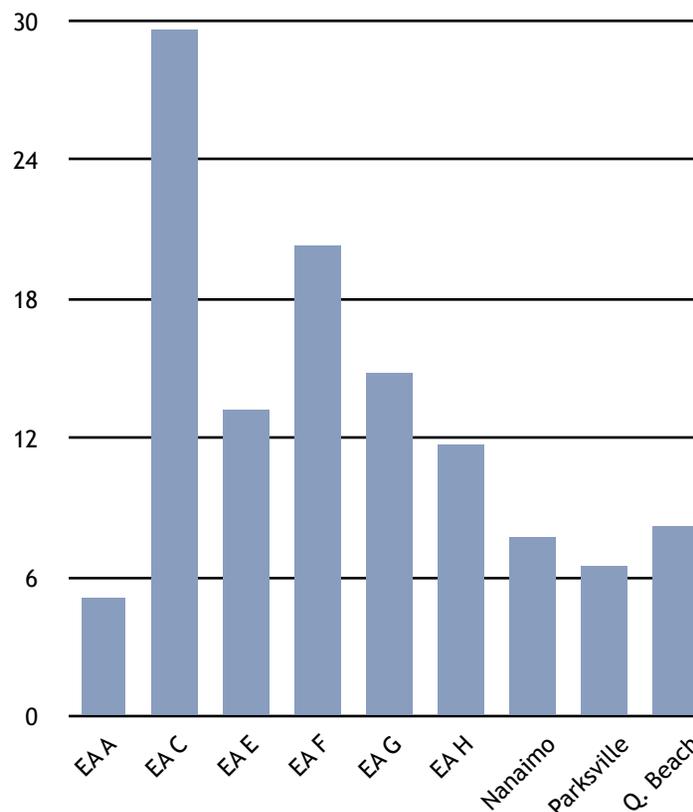
Appendix B presents a series of indicators that are often used to inform and describe housing need within local or regional housing markets. The key indicators include demographic, economic, income, and housing indicators. Where possible, indicators are presented for all nine jurisdictions of the study. The following is a list of the jurisdictions, including the main communities of each electoral area.

- Electoral Area A: Cedar, South Wellington and Cassidy
- Electoral Area C: Extension, Nanaimo Lakes
- Electoral Area E: Nanoose Bay
- Electoral Area F: Coombs, Hilliers, Errington
- Electoral Area G: French Creek, San Pareil
- Electoral Area H: Bowser, Qualicum Bay
- City of Nanaimo
- City of Parksville
- Town of Qualicum Beach

Demographic Indicator – Population Growth

The population in the RDN has steadily increased since the mid-1970s. All nine jurisdictions have experienced growth in population, some more rapidly than others. Figure A-1 shows Electoral Areas C and F leading population growth rates. Net in-migration is a major factor contributing to growth, as fertility rates over the past twenty years are down. BC Stats attributes a female bias in the population to a strong service sector and high number of retirees, particularly in the Qualicum area.¹

Figure B-1: Population Growth Rates (%), 2001-2006



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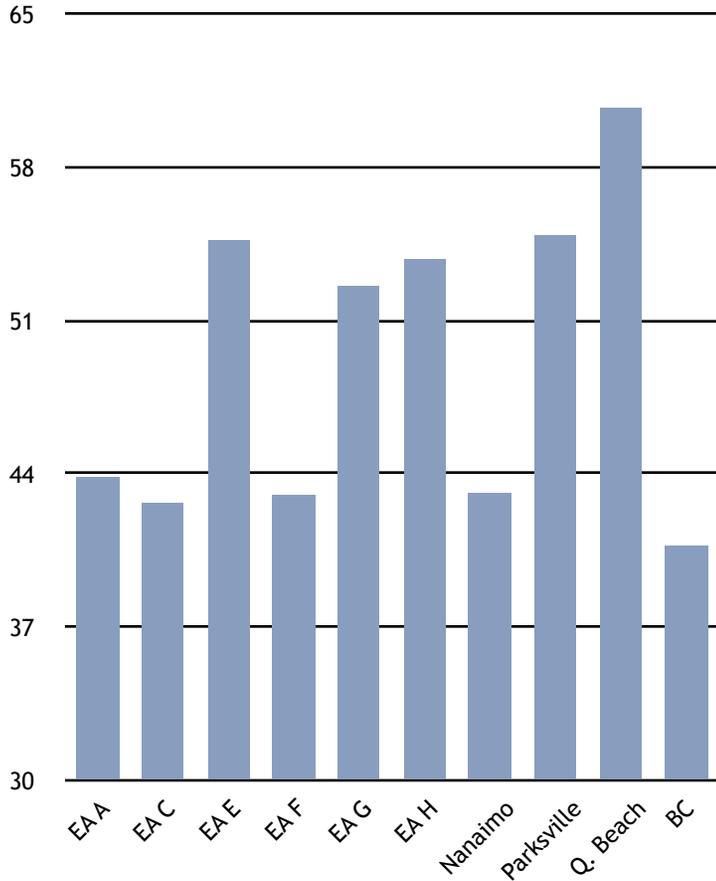
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¹ BC Stats, Quarterly Regional Statistics, Second Quarter 2008.

Demographic Indicator – Median Age

All nine jurisdictions have a median age that is higher than the BC-wide median of 40.8 years. Figure B-2 depicts the relative median ages across the nine communities.

Figure B-2: Median Age Comparison (Years)



Demographic Indicator – Population Projections

The region is projected to grow over the next 10 and 20 years, increasing 30% by 2028. While most growth will occur in the seniors demographic, the number of young adults and children is also projected to increase. BC Stats reports that by 2036, the region will have 7.5 dependents for every 10 people of working age and most of the dependents will be seniors.²

Figure B-3: Population Projections: BC Stats, PEOPLE 33

Age	2008	2018	10-Year Change	2028	20-Year Change
0-14	20,094	22,913	14%	25,383	26%
15-24	18,574	16,434	-12%	17,535	-6%
25-44	34,107	43,150	27%	46,783	37%
45-64	46,488	49,002	5%	50,771	9%
65+	31,186	43,544	40%	54,431	75%
Total	150,449	175,043	16%	194,903	30%



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² BC Stats, Quarterly Regional Statistics, Second Quarter 2008.

Economic Indicator - Economic Sectors

The main economic activities in the region include forestry, tourism, manufacturing, transportation and warehousing³. The City of Nanaimo has a strong retail sector, and the seniors-oriented communities of Parksville and Qualicum Beach have supported tourism, resort and residential development activity. Malaspina College was recently designated a university, now Vancouver Island University. The Port of Nanaimo is an important economic contributor and is planned for expansion to include a cruise ship terminal.

Within the forestry sector, there have been two mill closures in Campbell River in 2008, and recently, Catalyst announced holiday shutdowns at three of its Vancouver Island mills. Nanaimo's Harmac pulp mill which was recently restructured and is operated by Nanaimo Forest Products appears to be alone in not implementing holiday shut downs, a positive sign. However, the global context for pulp is not promising. There is an oversupply and the market price has dropped from \$890 US in May to about \$450 US⁴.

Economic Indicator – Labour Force

Using labour force size as an indicator of industry sector strength, Census data confirms the shift in growth in the RDN away from resource-based industries (Figure B-4). Between 2001 and 2006, construction and manufacturing, and finance and real estate experienced the greatest growth. Health, education and business services also expanded.

In general, the region has a strong retail and service sector orientation. The RDN accounts for 45% of the retail sales in the broad regional markets on Vancouver Island – Cowichan

Valley, Alberni-Clayoquot, Comox-Strathxona and Mount Waddington – and will generate an estimated \$2,327.4 million in retail sales in 2008. The retail industry provides jobs for over 6,100 people, accounting for 15% of the labour force. This sector provides many job opportunities for people who are relatively unskilled and working at the low end of the wage scale.

Nanaimo plays a key role as a hub for the the mid-Island, owing its success, in part, to a strong transportation network of seaplane terminals, an airport, ferry terminals, rail service and highways.

Figure B-4: Labour Force Distribution Across Industry Sectors, RDN

	RDN 2001	RDN 2006	01-06 % Change
Total - Experienced labour force	58,490	66,620	14%
Agriculture and other resource-based industries	2,735	2,795	2%
Manufacturing and construction industries	8,735	10,720	23%
Wholesale and retail trade	10,435	11,360	9%
Finance and real estate	3,090	3,930	27%
Health and education	10,265	11,890	16%
Business services	10,185	11,720	15%
Other services	13,040	14,200	9%

Source: Census of Canada, 2006



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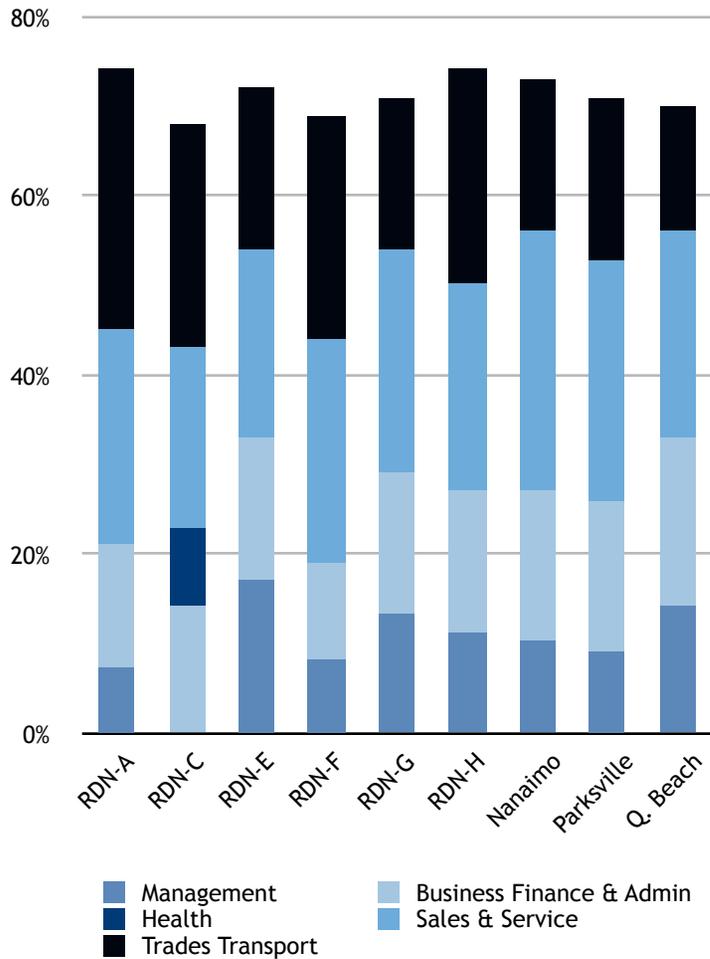
³ BC Stats, Quarterly Regional Statistics, Second Quarter 2008.

⁴ Robert Barron, Nanaimo Daily News, Published: Wednesday, December 10, 2008.

Economic Indicator – Main Occupation

Figure B-5 shows that sales and service jobs are among the most common across the region. Trades, transport and equipment operator jobs are also important contributors to the region’s economy.

Figure B-5: Top Four Occupation Sectors By Area
Source: Census of Canada, 2006.



Economic Indicator – Representative Wages

A scan of job advertisements in Oceanside and Nanaimo illustrate the wage ranges for retail and service sectors jobs (Figure B-6). The average wage for the jobs identified ranges from \$10.35 to \$12.34.

Figure B-6: Representative Wages

Employer	Position	Hourly Wage
Coffee shop	Counter Service	\$9.00+
Cleaning service	Janitor	\$10.00 - \$12.00
Resort hotel	Housekeeping supervisor	\$13.75 - \$15.00
Fast food outlet	Managers, drivers, in-store staff	\$7.50 - \$15.00
Fast food outlet	In store staff	\$9.50+
Resort hotel	Housekeeper	\$10.00 - \$12.00
Retail clothing	Sales consultant	\$9.50 - \$11.00
Fast food outlet	Cook	\$8.10 - \$8.75
Car rental	Counter service	\$10.00 - \$13.00
Adult Home Care	Personal care attendant	\$13.50
Gas service station	Cashier	\$9.00
Restaurant	Kitchen Helper	\$14.00
Hotel	Front desk agent	\$10.85
Big box retailer	Portrait photographer	\$9.50
Food service management	Dining room attendant	\$11.40
Average Hourly Wage:		\$10.35 - \$12.34

Source: CitySpaces Consulting, December 2008



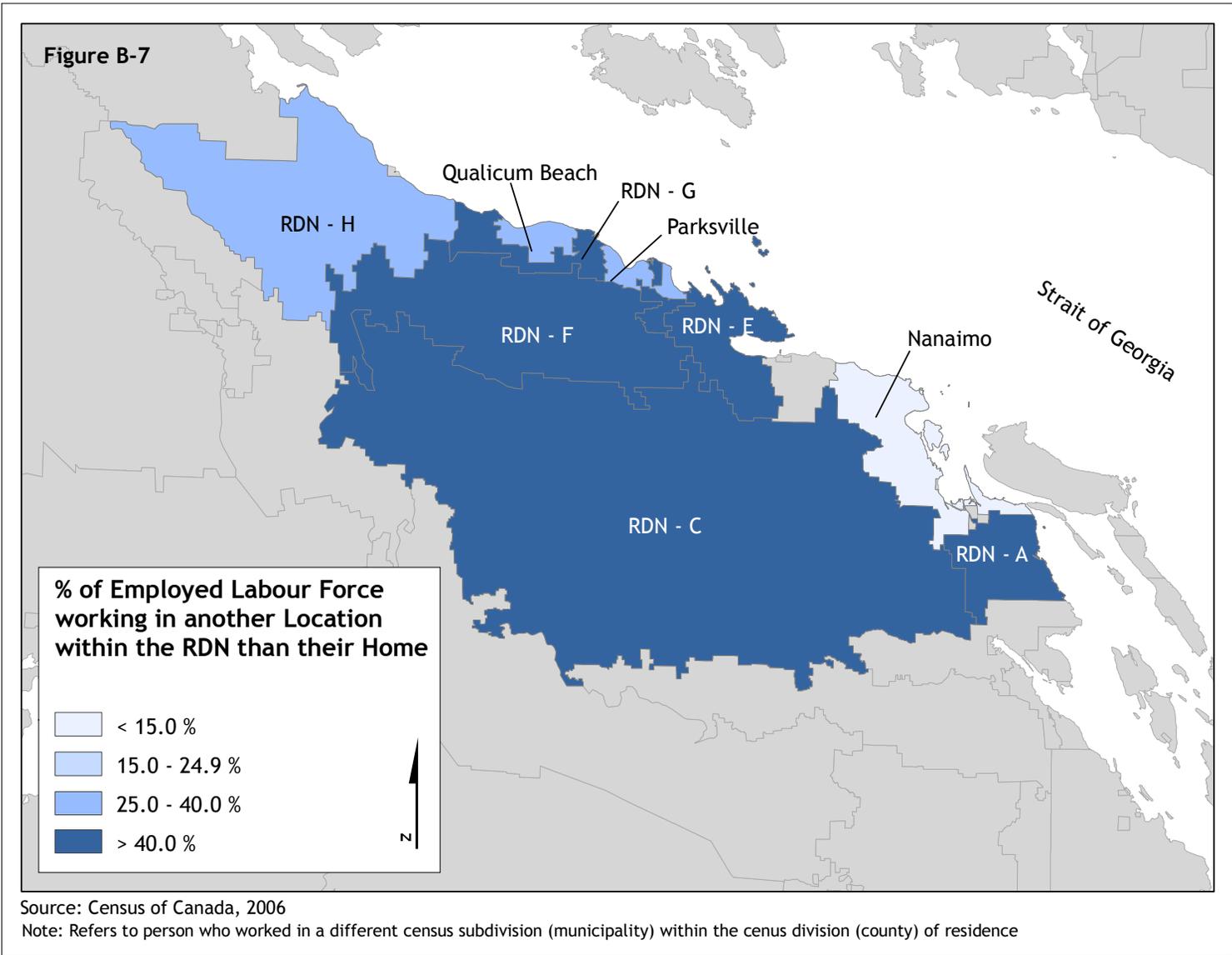
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Economic Indicator – Labour Force Mobility

Many people in the region commute from home to work, crossing local government boundaries daily. More than 40% of the residents of RDN-A, RDN-C, RDN-E, RDN-F and RDN-G work in a different jurisdiction from their residence (Figure B-7). A far smaller proportion of people who live in Nanaimo travel away from that city for work.



Economic Indicator – Median Income

Household income is a key determinant of what people can afford to rent or purchase. Figure B-8 presents the median income for each jurisdiction, broken out by couple families, lone parent families and unattached individuals. EAC and EAE couples have median incomes higher than BC as a whole; whereas, lone parent families in EAH and EAF have considerably lower median incomes than BC as a whole. Figures B-9 and B-10 illustrate the variation in incomes within the region as maps.

Figure B-8: Median Incomes Of Couple, Lone-Parent Families And Unattached Individuals

Couple Families (BC Median: \$68,200)	
RDN - Total:	\$61,713
RDN A	\$62,816
RDN-C	\$71,411
RDN-E	\$70,454
RDN-F	\$57,245
RDN-G	\$62,316
RDN-H	\$52,707
Nanaimo	\$62,891
Parksville	\$52,881
Q. Beach	\$58,346
Lone-Parent Families (BC Median: \$35,437)	
RDN - Total:	\$32,487
RDN-A	\$36,555
RDN-C	\$32,307
RDN-E	\$36,177
RDN-F	\$28,423
RDN-G	\$44,241
RDN-H	\$25,426
Nanaimo	\$33,587
Parksville	\$34,526
Q. Beach	\$37,075

Unattached Individuals (BC Median: \$25,121)	
RDN-Total	\$21,797
RDN-A	\$20,349
RDN-C	\$25,575
RDN-E	\$29,780
RDN-F	\$19,147
RDN-G	\$23,131
RDN-H	\$20,856
Nanaimo	\$21,243
Parksville	\$24,213
Q. Beach	\$24,075

Source: Census of Canada, 2006.

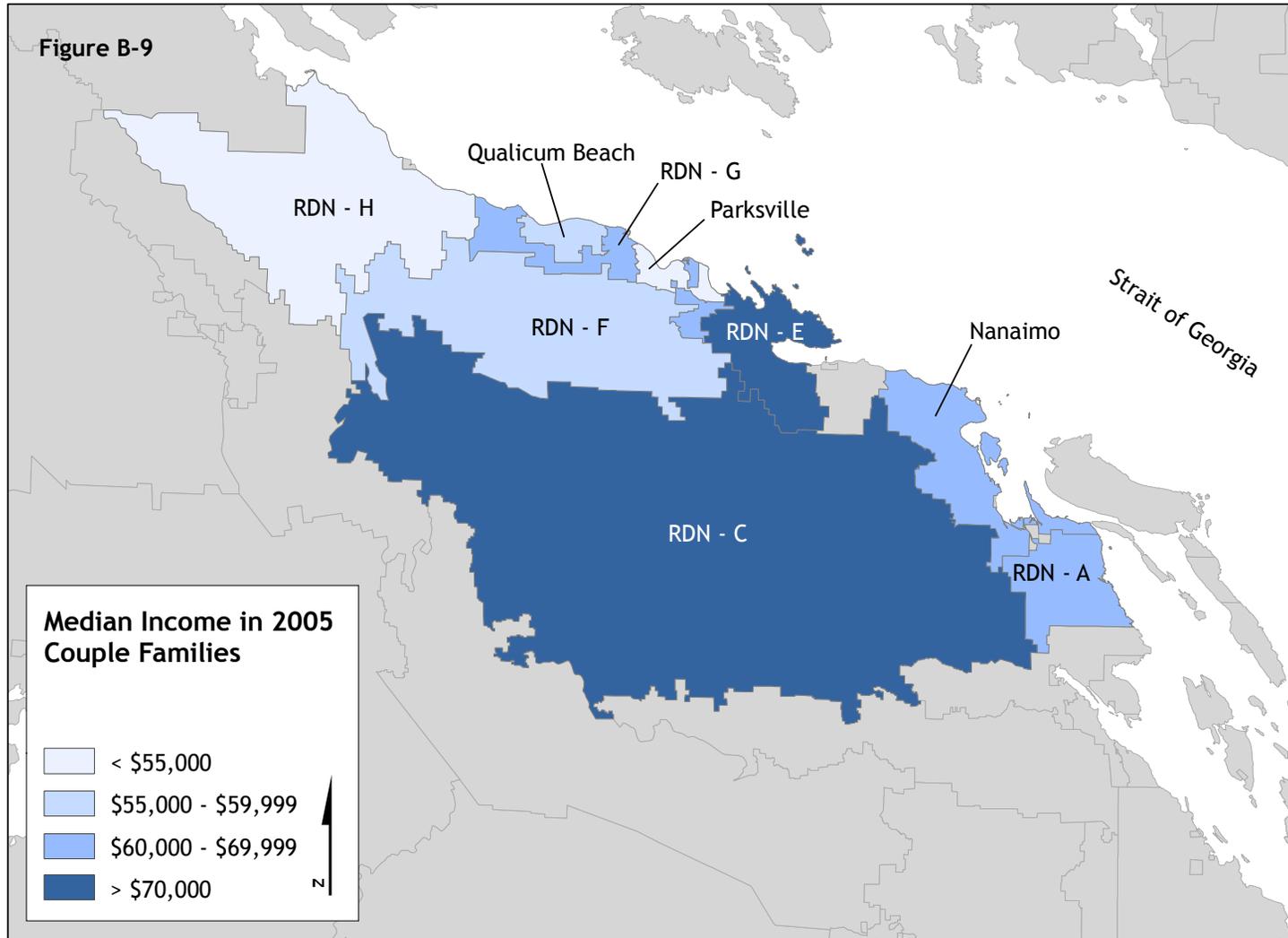


Housing Needs
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Figure B-9



Source: Census of Canada, 2006

Note: Couple family refers to a married or common-law couple with or without children of either or both partners, with at least one child living in the same dwelling

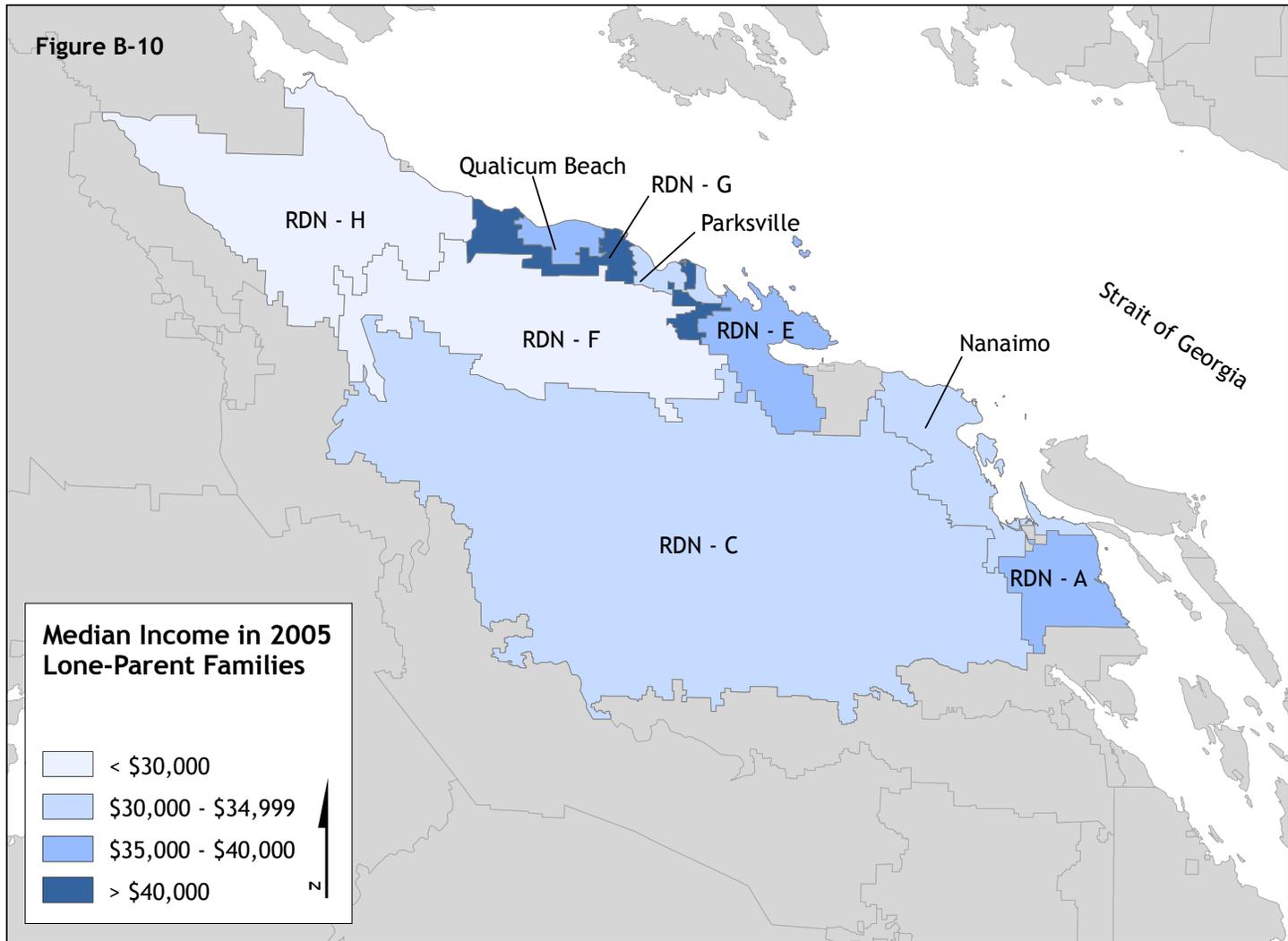


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Figure B-10



Source: Census of Canada, 2006

Note: Lone-parent family refers to a lone-parent of any marital status with at least one child living in the same dwelling



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Economic Indicator – Income Assistance

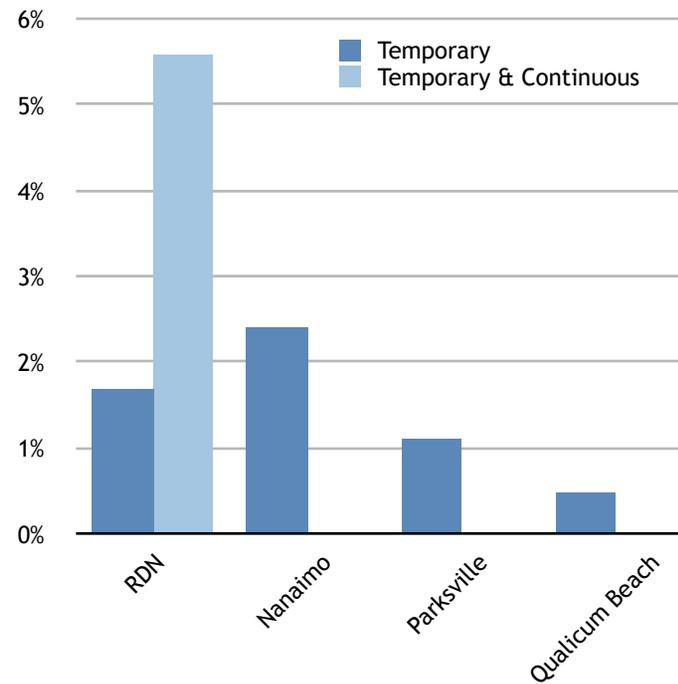
The Provincial government provides income assistance through the BC Employment & Assistance program to people from birth to age 64. The program covers temporary assistance for people who are out of work, awaiting other income, unable to work, or working and in need of child care. Eligibility and monthly assistance rates depend on income and asset levels and the number of people in the family unit. Continuous assistance includes support for persons with disabilities and persons with persistent multiple barriers¹.

Figure B-11 illustrates the percent of the population receiving temporary income assistance (RDN, Nanaimo, Parksville and Qualicum Beach) and temporary plus continuous income assistance (RDN only).

When assistance to persons with disabilities or persistent multiple barriers is included, the percent of population in need jumps from 1.7% to 5.63% in the RDN.

As an example of income assistance levels, a single parent eligible for IA with two children could receive \$375.58 per month plus a shelter allowance of up to \$660.00. This would be supplemented by the BC Family Bonus program in the amount of \$123.50 per child.

Figure B-11: Population 0-64 Years Receiving Income Assistance



Source: Ministry of Housing and Social Development and BC Stats



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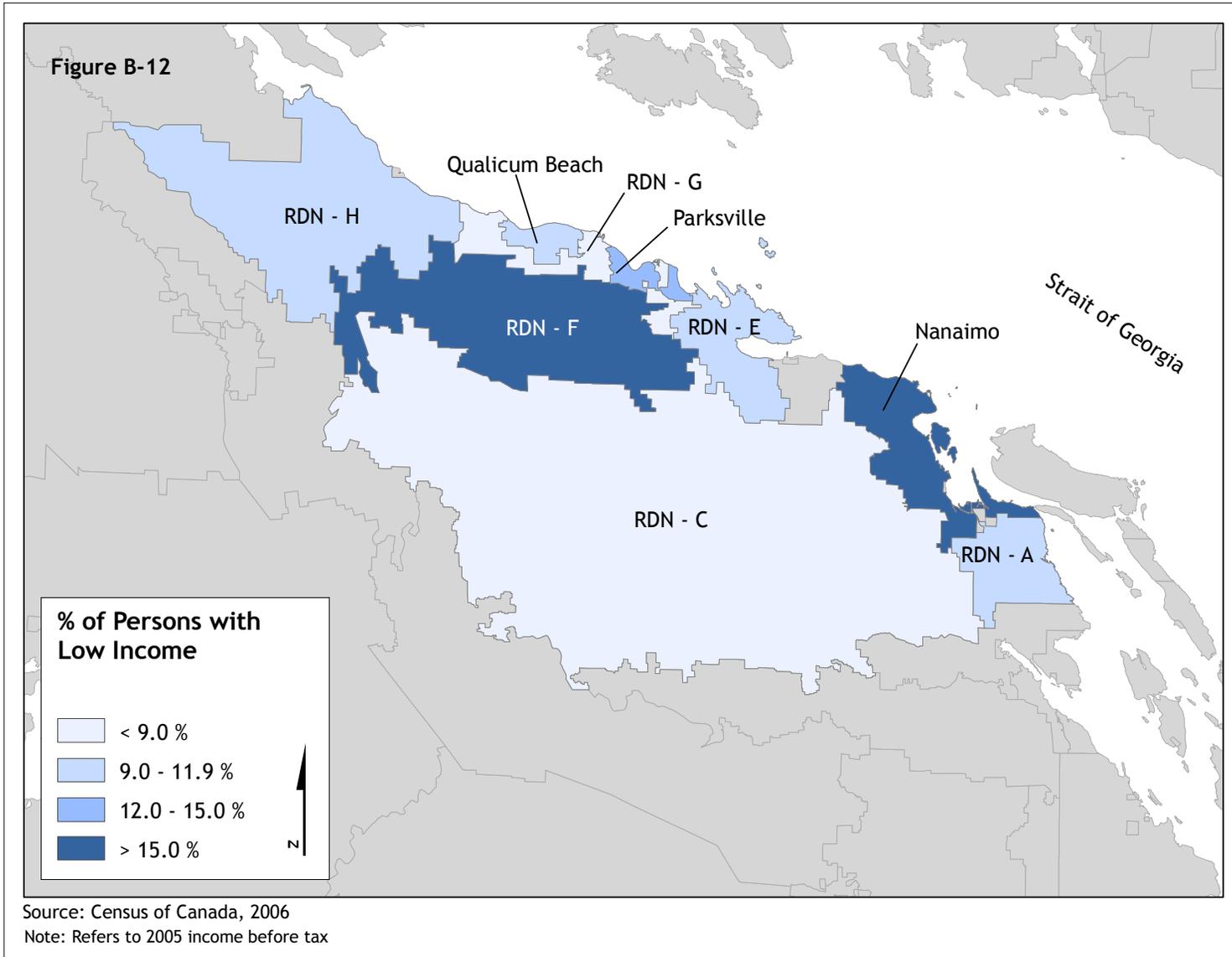
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Appendix B-9

¹ Excluded from the IA rates are children in the home of a relative and Aboriginal people living on reserve.

Economic Indicator – Low Income Households

Census data provides a snapshot of the number of people living in low income households. Figure B-12 illustrates variation across the region. In Nanaimo and RDN-F, more than 15% of persons were identified as low income. Between 12% and 15% are low income in Parksville. RDN-C and RDN-G have the lowest incidence of low income individuals.



Housing Needs
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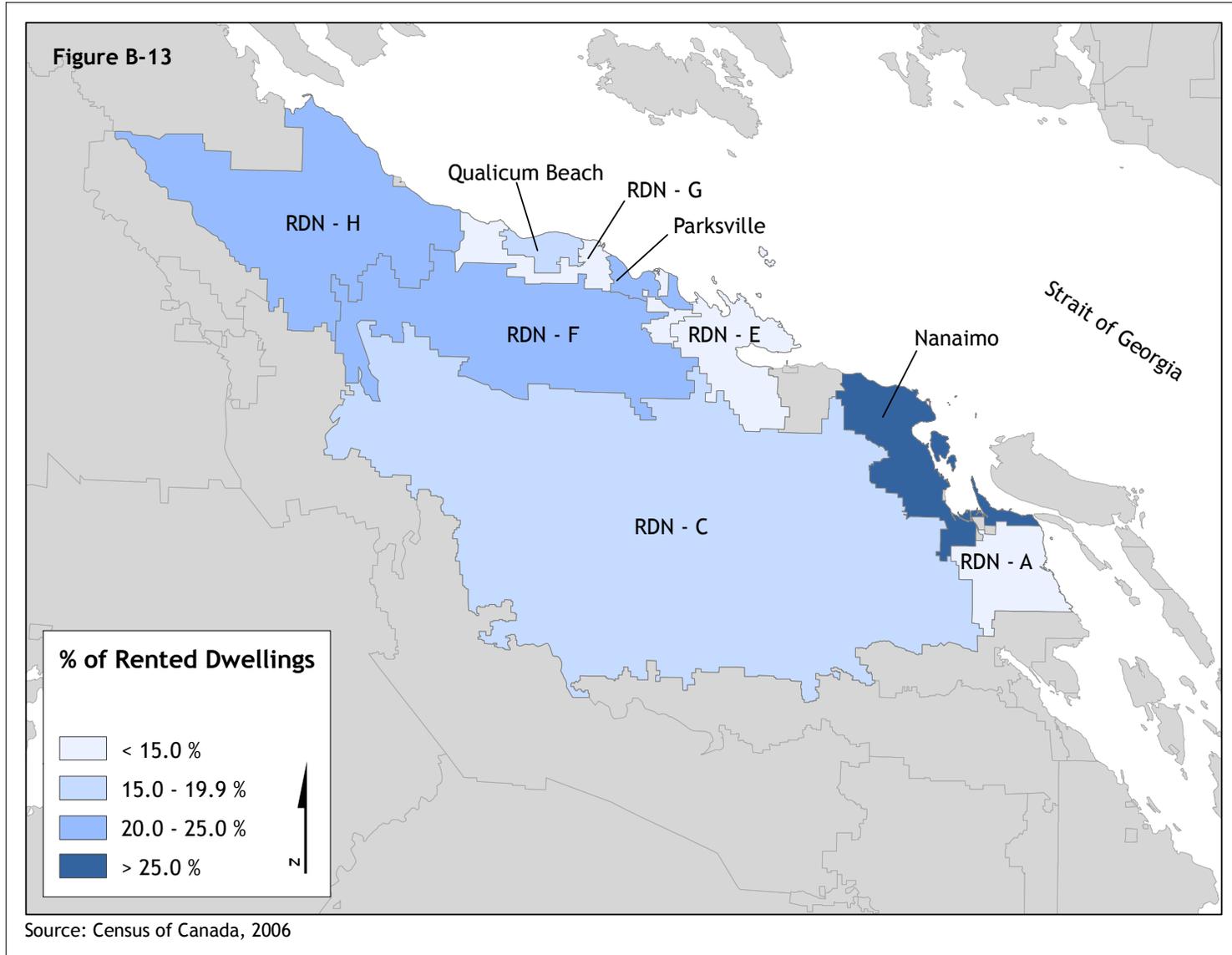
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Appendix B-10

Housing Indicator: Rental Housing

As shown in Figure B-13, Nanaimo has the highest proportion of rented dwellings within the region. Comparatively, Electoral Areas F and H also have a fairly high percentage of rented dwellings.



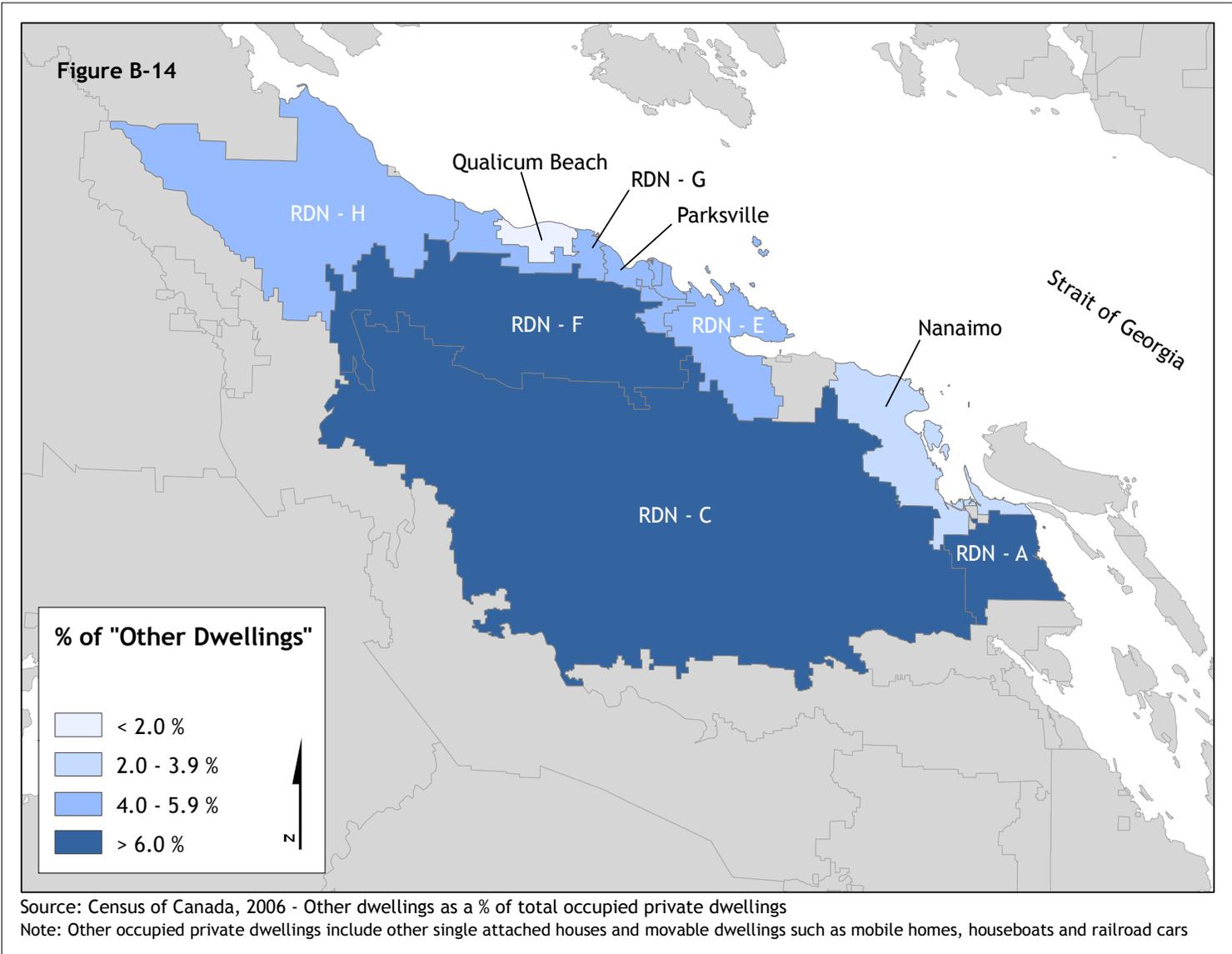
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Housing Indicator – Other Occupied Dwellings

Mobile home and manufactured home parks provide relatively affordable housing for some people, particularly younger seniors on fixed incomes. Census data tracks the percentage of “other occupied private dwellings”, which include movable dwellings such as mobile homes, houseboats and railroad cars. “Other” dwellings are prominent in RDN-F, RDN-C and RDN-A (Figure B-14).



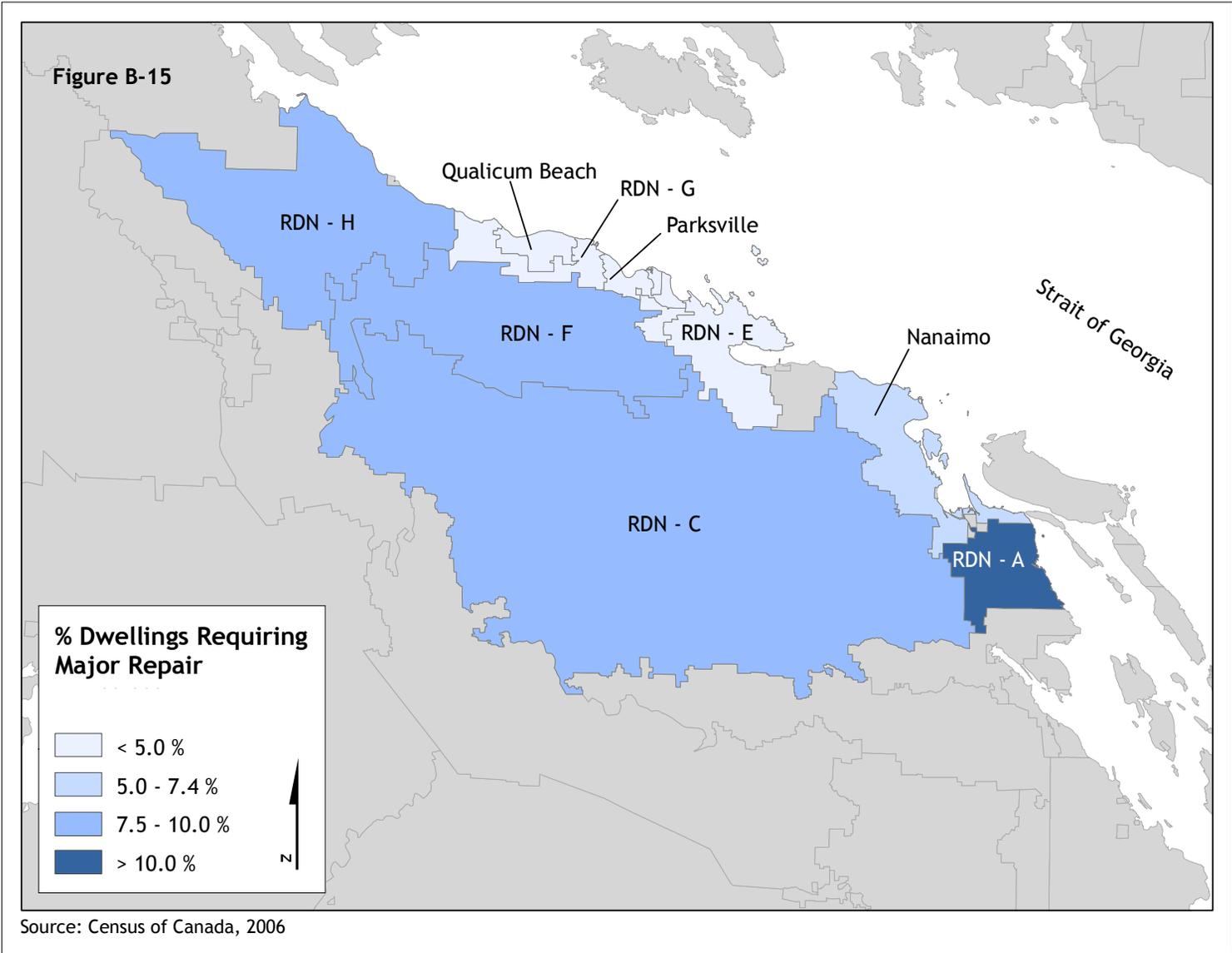
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Housing Indicator – Dwellings Requiring Major Repair

Census data shows that the highest percentage of dwellings requiring major repair occurs in RDN-A. Between 7.5% and 10% of dwellings in RDN-F, RDN-C, and RDN-H need major repairs (Figure B-15).



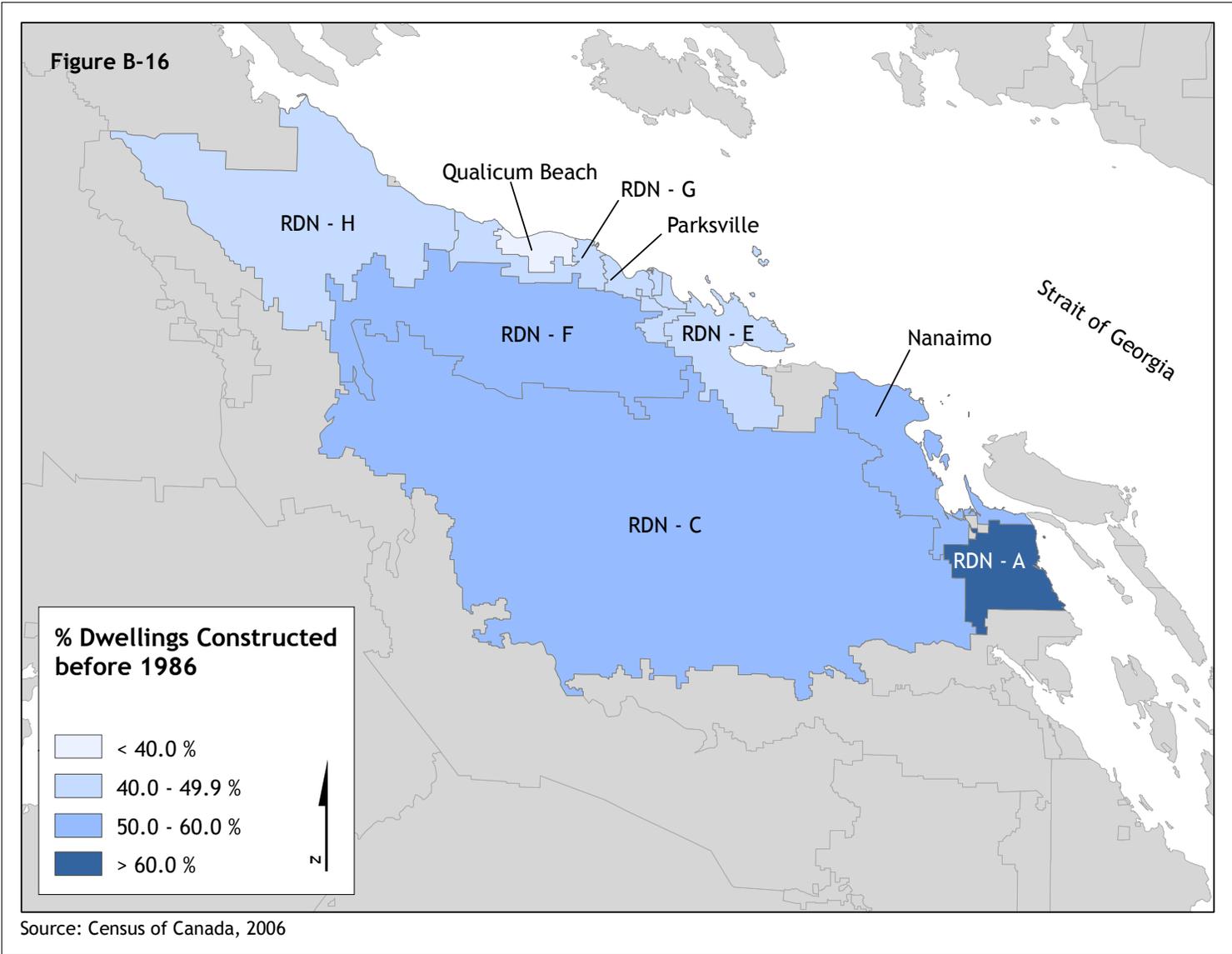
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Housing Indicator – Dwellings Built Before 1986

In some locations, a high proportion of older dwellings corresponds with a high proportion of dwellings needing repair: RDN-A has the highest proportion of dwellings built before 1986. Nanaimo, RDN-C and RDN-F have relatively older housing stock compared to Qualicum Beach, which has the lowest proportion of dwellings built before 1986 (Figure B-16).



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Appendix B-14

Housing Indicator – House Price

A robust economy is often reflected in rising housing prices. While the longer term trend has been notable increases in single detached house prices, more recently, prices have stabilized. In the period November 2007-08, Nanaimo prices rose by 4% and Parksville-Qualicum Beach prices remained flat. This stabilizing trend has been accompanied by a decrease in the volume of sales of single detached homes: down 52% and 33% in Nanaimo and Parksville-Qualicum Beach respectively over the past year.

Figure B-17: Average Single Detached House Price

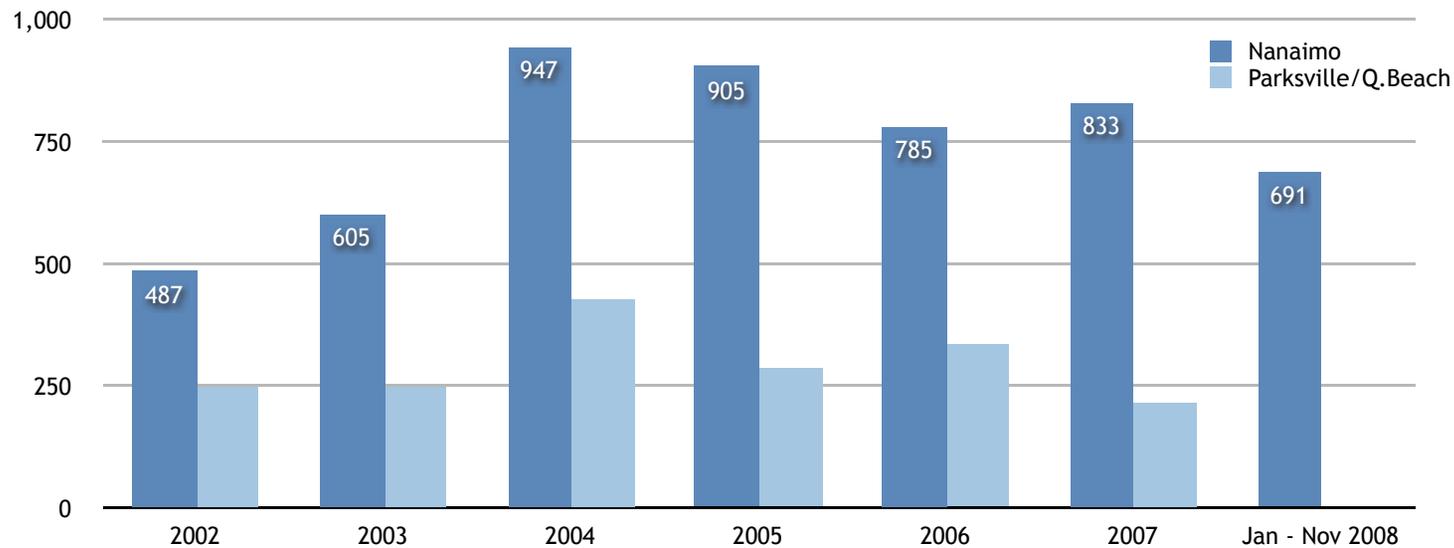
	Nov 04	Nov 05	Nov 06	Nov 07	Nov 08	04-08 % Chg	07-08 % Chg
Nanaimo	\$231,435	\$290,705	\$311,417	\$364,163	\$379,291	64%	4%
Parksville/Qualicum Beach	\$261,563	\$312,183	\$323,975	\$370,691	\$372,397	42%	0%

Source: Vancouver Island Real Estate Board

Housing Indicator – Housing Starts

New construction housing starts have also been strong in the past four years, in particular in Nanaimo (Figure B-18).

Figure B-18: Housing Starts By Census Agglomeration



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Housing Indicator – Rental Rates

Rents charged for rental units in Nanaimo and Parksville have increased over the past year between six and 10 percent, depending on the unit size. October 2008 average rents by bedroom type are shown in Figure B-19. The challenge for low and moderate income renters in these locations is availability. Parksville vacancy rates hovered at or just above 0% in October 2008 (Figure B-20).

Figure B-19 – Private Apartment Average Rents

	Bachelor		1-Bedroom		2-Bedroom		3-Bedroom+	
	Units Available	Average Monthly Rent						
Nanaimo CA	3	\$495	12	\$614	22	\$750	3	\$894
Parksville CA	0	\$478	0	\$606	1	\$668	0	\$813

Source: CMHC Rental Market Report - British Columbia Highlights - Fall 2008.

Figure B-20 – Private Apartment Vacancy Rates (%)

	Bachelor	1-Bedroom	2-Bedroom	3-Bedroom+
Nanaimo CA	1.4	0.7	1.5	2.6
Parksville CA	0.0	0.0	0.3	0.0

Source: CMHC Rental Market Report - British Columbia Highlights – Fall 2008.

With a volatile economic context, the rental market can quickly change. For example, as demand for newly built condominiums wanes, there are likely to be more condominium units available for rent. As the higher-end rental pool expands, this can potentially ease the demand for lower-end affordable units.

A scan of Craigslist (www.nanaimo.en.craigslist.ca) for Nanaimo area rentals from January 2 to January 6, 2009 generated a list of 74 rental units including one bachelor at \$675, 18 one-bedroom units at an average rent of \$810, 34 two-bedroom units averaging \$1,029 and 21 three or more bedroom units at an average of \$1,306 per month. This number of rentals was higher than the 41 reported by CMHC in October 2008, but the average rents of the rentals on Craigslist were all higher than those reported by CMHC.

This is a very limited snapshot which may, or may not reflect an increase in availability of rental units, but still little available for those lone parents and unattached individuals earning the median income or less.



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Housing Indicator – Affordability @ 30% Of Income

Housing is commonly considered to be affordable when households spend no more than 30% of their income on shelter. In terms of both rental and ownership housing, couple families in general have a greater range of choice than lone parent families. Couple families across the RDN have \$1,543 available for housing, compared to \$812 for single parents. Figure B-21 shows the monthly income available for housing, for the RDN overall, and each of the jurisdictions studied.

Figure B-21: Amount Available For Housing

	2005 Median Income	Maximum Affordable Monthly on Housing @ 30% of Median income
Unattached Individuals		
RDN-Total	\$21,797	\$545
RDN-A	\$20,349	\$509
RDN-C	\$25,575	\$639
RDN-E	\$29,780	\$745
RDN-F	\$19,147	\$479
RDN-G	\$23,131	\$578
RDN-H	\$20,856	\$521
Nanaimo	\$21,243	\$531
Parksville	\$24,213	\$605
Q. Beach	\$24,075	\$602

	2005 Median Income	Maximum Affordable Monthly on Housing @ 30% of Median income
Couple Families		
RDN-Total	\$61,713	\$1,543
RDN-A	\$62,816	\$1,570
RDN-C	\$71,411	\$1,785
RDN-E	\$70,454	\$1,761
RDN-F	\$57,245	\$1,431
RDN-G	\$62,316	\$1,558
RDN-H	\$52,707	\$1,318
Nanaimo	\$62,891	\$1,572
Parksville	\$52,881	\$1,322
Q. Beach	\$58,346	\$1,459
Lone-Parent Families		
RDN-Total	\$32,487	\$812
RDN-A	\$36,555	\$914
RDN-C	\$32,307	\$808
RDN-E	\$36,177	\$904
RDN-F	\$28,423	\$711
RDN-G	\$44,241	\$1,106
RDN-H	\$25,426	\$636
Nanaimo	\$33,587	\$840
Parksville	\$34,526	\$863
Q. Beach	\$37,075	\$927



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Source: Statistics Canada 2006 Census; CitySpaces Calculations

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Appendix B-17

Figure B-22 shows the maximum purchase price a lending institution is likely to set for households at various incomes and with varying down payments if they are to consider mortgage funding. The calculations assume a three-year closed mortgage term with a rate of 6.25% amortized over 25 years, and take into account property taxes and mortgage insurance but not potential monthly strata fees. (Note: these are approximate calculations only; individual circumstance will vary and affect the maximum purchase price.)

Figure B-22: Maximum Housing Purchase Price

Family Unit	Median Income	With A 10% Down Payment	With A 25% Down Payment
Couple Families	\$61,713	\$230,000	\$277,000
Lone Parent Families	\$32,487	\$122,000	\$146,000
Unattached Individuals	\$21,797	\$81,800	\$98,000

Source: Statistics Canada 2006 Census; CitySpaces Calculations

A couple family earning the RDN median income (\$61,713) with 10% down payment could afford to buy a home for \$230,000. In November 2008, the average sales price for a single-detached home was \$379,291 in the Nanaimo area and \$372,397 in Parksville/Qualicum.

A couple family earning the median income would not be able to buy a single detached home in the Nanaimo or Parksville/Qualicum Beach areas. A lone parent family’s median income of \$32,487 would also fall short of the amount necessary to purchase a detached home.

A couple earning the RDN median income (\$61,713) can afford to rent at approximately \$1,543 per month, and would be able to rent a private 3-bedroom apartment in Nanaimo or Parksville/Qualicum Beach, where average rents are \$894 and \$812 respectively (Figure B-20). They would however face a lack of availability of rental units: October

2008 rental vacancy rates were very low, particularly in Parksville/Qualicum Beach where vacancies reached 0%.

A lone-parent family earning the RDN median income can afford to rent for \$812 per month. This family would be challenged to find suitable 3-bedroom or larger accommodation in Nanaimo, where the average rent for 3-bedroom accommodation is \$894. They could afford a 3+-bedroom unit in the Parksville area, with an average rent of \$813, if units were available.

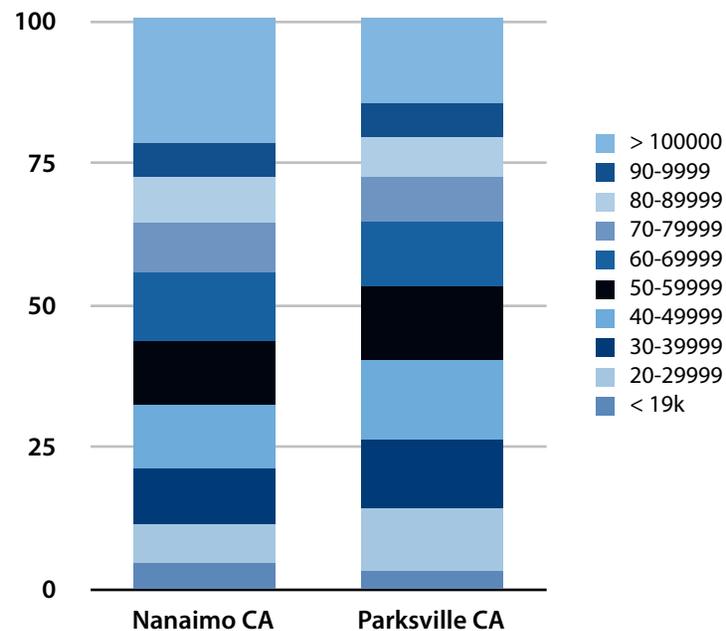
Housing Indicator – Families With Moderate Incomes

Income information is reported from the 2006 Census in a variety of ways and at different geographic hierarchies. Figure B-23 shows the distribution of income of married couples for the Nanaimo and Parksville Census Agglomeration Areas. Comparable data is not available at the regional or census subdivision areas.



Housing Needs Overview

B-23: Income Groups as % of Total, Married Couples



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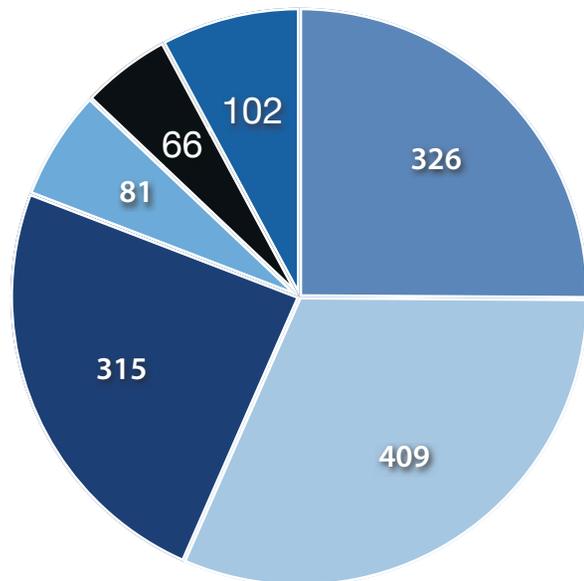
Appendix B-18

Housing Indicator – Non-Profit Housing

BC Housing maintains a complete registry of all non-profit housing in the province, organized by housing provider, community, bedroom mix and client group served. A recent tabulation provided by BC Housing specifically for this study, shows there is currently a total of 1,299 units/beds. Figure B-24 shows the distribution of these units/beds by client group within the Nanaimo region.

Only five non-profit housing societies provide housing for low income families. Four of these are based in Nanaimo – M’akola Housing Society, Nanaimo Affordable Housing Society, Nanaimo Lions Housing Society, and Pacifica Housing Association. The fifth provider is Parksville Lions Housing Society. Among the 326 family units, only 25 units have four bedrooms.

Figure B-24: Non-Profit Housing by Client Type

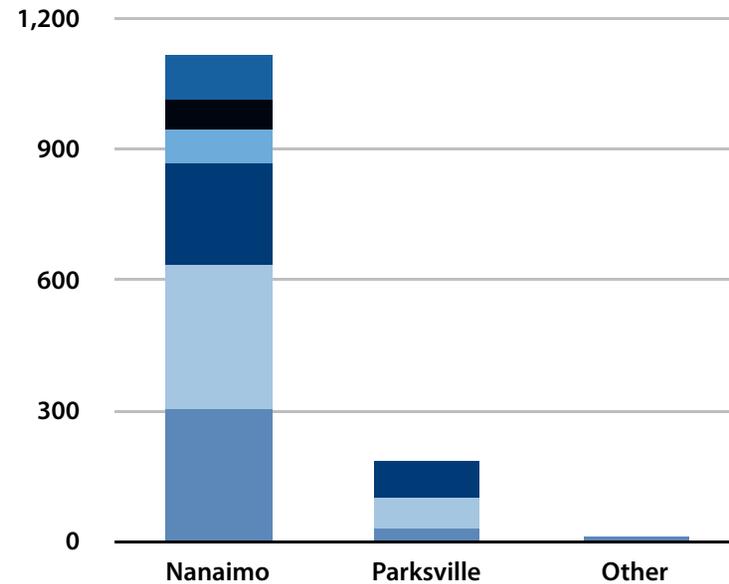


- Low Income Families
- Frail Seniors
- Homeless Sheltered
- Seniors
- Homeless Housed
- Special Needs

Housing Indicator – Non-Profit Units By Community

Examining the non-profit housing supply in the Nanaimo region, about 86% of all subsidized units are located within Nanaimo, as is evident from the accompanying graphic.

Figure B-25: Non-Profit Units by Type and Community



- Low Income Families
- Frail Seniors
- Homeless Sheltered
- Seniors
- Homeless Housed
- Special Needs



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