



Housing Needs Assessment, Gap Analysis & Action Plan

·VRBANIC·

HOUSING NEEDS ASSESSMENT, GAP ANALYSIS and ACTION PLAN

CARIBOO REGIONAL DISTRICT & CITY OF QUESNEL

Prepared for:
Cariboo Regional District &
City of Quesnel
October 2019

Prepared by:
Urbanics Consultants Ltd.
Suite 1207- 409 Granville St
Vancouver, BC, V6C 1T2

Table of Contents

1	Introduction	1
1.1	Main objectives	1
1.2	Report structure	3
1.3	Limitations.....	4
2	Community context.....	5
2.1	Location	5
2.2	Provincial economy.....	6
2.3	Local Economy	8
2.4	Demographic trends.....	12
2.5	Household Growth	15
2.6	Household income	16
2.7	Population projections.....	20
3	Housing Action Plan	24
3.1	Objective 1: Address market-rate housing needs	24
3.2	Objective 2: Address nonmarket housing needs	28
3.3	Objective 3: Enhance supply of rental housing	30
3.4	Objective 4: Enhance Housing Affordability.....	32
3.5	Objective 5: Maintain the quality of current housing stock	34
3.6	Objective 6: Facilitate new development on selected parcels.....	35
3.7	Objective 7: Prepare for anticipated growth in population aged 65 years and over	36
4	Housing.....	37
4.1	Housing stock trends.....	38
4.2	Housing permits	42
4.3	Housing tenure.....	43
4.4	Non-market housing.....	46
4.5	Housing suitability and adequacy	49
4.6	Shelter-cost-to-income ratio	51
4.7	Core housing need.....	52
5	Housing Market Characteristics	54
5.1	Housing sales activity.....	54
5.2	Rental housing	55
5.3	Affordability of market-rate housing.....	56
5.4	Affordability for households by type.....	58
6	Current gaps in the housing market	59
6.1	Lack of serviced and desirable lands	60
6.2	Demographic and household shifts	61
6.3	Affordability	63
6.4	Opportunities for addressing gaps.....	64

7	Housing needs projections.....	67
7.1	Housing needs as a result of growth in households	67
7.2	Development implications	74
7.3	Non-market housing needs	75
7.4	Potential new demand by the age of household maintainer.....	76
8	Best practice opportunities	78
8.1	Current housing situation	78
8.2	Potential strategies	78
8.3	Provincial government role.....	80
	Federal government role	82
8.4	Effective measures	83
9	Findings and focus areas	86
9.1	Address market-rate housing needs for all age cohorts.....	86
9.2	Address non-market housing needs.....	87
9.3	Enhance supply of rental housing	88
9.4	Enhance housing affordability	88
9.5	Maintain the quality of current housing stock.....	89
9.6	Facilitate development on vacant lands.....	89
9.7	Prepare for anticipated growth in population aged 65 years and over	90
9.8	Conclusion	90
	Appendix 1: Online Survey Findings.....	91

List of Tables

Table 1: Economic Indicators: British Columbia	7
Table 2: Employment by major sectors, 2006 – 2016	8
Table 3: Employment by Industry (2-Digit NAICS Codes), 2016	10
Table 4: Major field of study for the population aged 15 years and over in private households.....	11
Table 5: Commuting destination for the employed labour force aged 15 years and over in private households with a usual place of work	12
Table 6: Historical population trend for the City of Quesnel	13
Table 7: Population Pyramid for North Cariboo	14
Table 8: Trends in Household Size, 1991-2016.....	15
Table 9: Household Composition (2016 Census)	16
Table 10: Income Distribution - 2015	17
Table 11: Median Household Income Levels for Selected Household Structures.....	20
Table 12: Quesnel's total private dwellings versus private dwellings occupied by usual residents	38
Table 13: Quesnel Number of Occupied Dwellings by Type - 1991-2016.....	40
Table 14: North Cariboo Number of Occupied Dwellings by Type - 1991-2016.....	40
Table 15: City of Quesnel Mobility of Primary Household Maintainer	41
Table 16: Housing Tenure 1991-2016, Quesnel (Census Agglomeration).....	44
Table 17: Housing suitability	49
Table 18: Occupied dwelling and period of construction	50
Table 19: Shelter-cost-to-income ratio	51
Table 20: Estimated proportion of households in core housing needs	52
Table 21: Estimated proportion of households in core housing needs	53
Table 22: Current active listings in Quesnel	54
Table 23: Home sales activity March 2018 – March 2019	55
Table 24: Proportion of households that fail affordability criteria	57
Table 25: Affordable homeownership (before-tax income)	58
Table 26: Affordable rental rates by household type (before-tax income)	59
Table 46: City of Quesnel Population and household projection	68
Table 47: City of Quesnel owner and renter household growth projections - 2016-2031	69
Table 48: City of Quesnel households in core housing needs, 2016-2031	70
Table 49: North Cariboo population, household, and owner and renter household growth projections - 2016-2031	72
Table 50: North Cariboo households in core housing needs, 2016-2031	73
Table 51: City of Quesnel growth projections by age of the household maintainer - 2016-2031	76
Table 52: North Cariboo growth projections by age of the household maintainer - 2016-2031	77
Table 53: Project examples: Housing for low to moderate income families and seniors	84
Table 54: Project examples: Non-market housing for vulnerable populations	85

List of Figures

Figure 1: Urbanics approach for the Housing Needs Study	2
Figure 2: Regional Context of North Cariboo.....	6
Figure 3: Historical population trends for the City of Quesnel	13
Figure 4: Income Distribution – Quesnel, North Cariboo and British Columbia (2015)	18
Figure 5: Median Household Income Levels for Selected Household Structures	19
Figure 6: Housing permits – Quesnel, 2006-2018	42
Figure 7: Housing tenure by age of household maintainer, 2016	45

Executive Summary

Urbanics Consultants Ltd., on behalf of the Cariboo Regional District and City of Quesnel, has completed a housing needs assessment, gap analysis and action plan for North Cariboo (Cariboo A, B, C and I) and the City of Quesnel. The Housing Needs Assessment and Gap Analysis has identified several major findings regarding:

- **Lack of serviced, desirable lands**
 - Price point for lots are often too low for developers to cover their costs of development and make an incentivizing profit margin;
 - Barkerville Gold Mines may put further pressure on the housing markets on the community; and,
 - The proportion of dwellings that require major repairs is significant among the community, although experienced more acutely in the region.
- **Rapidly aging population**
 - Much of the 65 and older population is having difficulty or is unable to remain in their single-family detached homes due to health and mobility challenges;
 - The region and the municipality lack sufficient and appropriate housing stock for older adults, and this is tying up the housing stock for families and other households that are lacking access to housing stock that meets their needs; and,
 - Cohousing is an expressed interest among residents and has particular health benefits for seniors that may alleviate growing pressure on the local healthcare system.
- **Declining household sizes and slow population growth**
 - The community averages smaller-sized households than Province;
 - Declining birth rates and declining youth and working age populations as a share of the population while some of the Indigenous populations in North Cariboo have higher birth rates than the rest of the general population; and,
 - Pet-friendly rental units are lacking as pets are expected to increase per capita within the study period (2016 to 2031).
- **Local affordability**
 - The price of homes and the rental rates are relatively lower than most other communities in British Columbia, some of the residents lack the ability to afford a home;
 - North Cariboo has higher incomes than Quesnel, and in Quesnel about a quarter of residents fail the affordability criteria for the 2-bedroom rental unit, which is the most common type of rental unit in Quesnel; and,
 - About 45 percent of Quesnel residents are expected to not afford a single-family detached home, the most common dwelling available in North Cariboo and Quesnel.

The Housing Action Plan builds upon the seven focus areas identified in the previous section. The following table (continued on the next page) illustrates the objectives and accompanying strategies to achieve each identified objective.

Address market-rate housing needs	<ul style="list-style-type: none">• Enhance density on properties that are already serviced with municipal water and sewer lines, particularly in existing urban properties• Enhance the supply of entry-level housing for young adults/professionals and senior-appropriate housing
-----------------------------------	---

Address non-market housing needs	<ul style="list-style-type: none"> • Work with other levels of government, community agencies, and the development community to address housing affordability issues in terms of seniors housing and below market-rate rental housing • Undertake research and education to support innovation
Enhance supply of rental housing	<ul style="list-style-type: none"> • Facilitate rental housing supply • Facilitate workforce housing
Enhance housing affordability	<ul style="list-style-type: none"> • Promote the sustainable development of more affordable housing units • Examine the creation of an Affordable Housing Reserve Fund
Maintain the quality of current housing stock	<ul style="list-style-type: none"> • Maintain the quality of current housing stock
Facilitate development on vacant lands	<ul style="list-style-type: none"> • Facilitate new development on selected parcels
Prepare for anticipated growth in population aged 65 years and over	<ul style="list-style-type: none"> • Ensure adequate accessibility in housing for seniors

Recommendations are further detailed in Section 3 *Housing Action Plan*. The study also investigates the fact that the analysis conducted has limitations; see 1.3 *Limitations* for more information.

1 Introduction

Urbanics Consultants Ltd. has been retained by the Cariboo Regional District and City of Quesnel to carry out a housing needs assessment, gap analysis and action plan for North Cariboo (Cariboo A, B, C and I) and the City of Quesnel.

The Cariboo Regional District and City of Quesnel have witnessed a steady growth in population over the last decade. This growth has been accompanied by a variety of housing issues in the community, including:

- Limited availability of desirable housing stock;
- Concerns related to housing adequacy, suitability and accessibility;
- Limited supply of low-income housing in the community; and,
- Limited housing diversity and affordability across the housing continuum.

This study is an effort towards conducting a comprehensive review of such concerns and identifying appropriate strategies for addressing them.

1.1 Main objectives

The main objectives of the study are to:

- Review existing studies and research relevant to housing-related policies and market and non-market rate housing in the Region;
- Assess population, socio-economic and employment trends to develop a comprehensive demographic and socio-economic profile of the Region;
- Review the local and regional housing policies, bylaws, tools, incentives and programs to support affordable housing;
- Examine the current housing market characteristics and develop a comprehensive housing profile, including housing stock (market and non-market rate housing), vacancy, rental revenues and sale prices, dwelling type preferences and tenure preferences;
- Assess the costs of developing and market values of land and improvements in the Region;
- Create an inventory of residential lands in the Region with special focus on vacant and under-utilized parcels;
- Develop and implement a consensus-based community engagement, communications and consultation program;
- Estimate the housing needs over the next 5 to 10 years, by dwelling type;
- Identify and prioritize strategies to address any current and anticipated gaps in the housing continuum; and,
- Create an action plan to address the housing issues being faced by the Region.

Housing Needs Study: Approach



Project Mobilization

- Collect and review base data
- Review exiting studies and reports
- Identify key stakeholders



Current Situation Analysis

- Create an inventory of residential lands
- Examine existing housing stock
- Examine current housing issues
- Examine housing markets
- Examine housing affordability



Estimate Housing Needs

- Identify housing gaps
- Identify anticipated housing needs
 - Market-rate housing
 - Non-market-rate housing



Demographic Analysis

- Regional and local economy
- Demographic characteristics
- Socio-economic characteristics
- Housing affordability parameters



Stakeholder Engagement

- Stakeholder interviews and discussions
- Surveys (online/ paper)
- Identify housing issues and gaps



Findings/ Recommendations

- Findings from housing analysis
- Ways of addressing housing gaps
- Identify housing issues and gaps

Figure 1: Urbanics approach for the Housing Needs Study
Source: Urbanics Consultants Ltd.

1.2 Report structure

In terms of report structure, the following serves as a brief description:

1.2.1 Introduction

The introduction provides the overall objectives of the study, the approach, the report structure and the limitations of the study.

1.2.2 Community context

The section examines the regional and local economies and their impact on regional demand for housing, including market rate and non-market rate housing. In addition, it develops a demographic and economic profile of the community utilizing the latest census data, information from other research studies and reports (such as 2010 Housing Needs Assessment; 2015 Housing Needs Update; 2016 Quesnel Housing and Community Profile; 2017 Housing Options and Developable Land Discussion Paper; 2017 Multi-family Housing Incentives Program; Quesnel Affordable Housing Program; any previous transitional supportive and social housing studies; Zoning Bylaw; Official Community Plan, etc.), and discussions with industry professionals. The section also examines the population and household growth trends over the last few decades and creates a population projection for North Cariboo and the City of Quesnel for the period 2019– 2031.

1.2.3 Housing supply

This section examines the existing housing stock of the region and the municipality. In particular, it provides an inventory of housing units by structure type and tenure (own vs. rent); housing sales and rental activity; the number of market and non-market rate housing units in the community. It also examines the housing suitability, adequacy, affordability characteristics and identifies the proportion of households in core housing needs. The consultant has used a variety of data sources including the 2016 Census data, 2018 property tax roll data and interviews with appropriate stakeholders (namely, housing developers, independent contractors, rental housing operators, etc.).

1.2.4 Housing market characteristics

The section examines the current housing sales activity and rental housing characteristics of the region and the municipality. The section also examines the affordability of market-rate housing by household type and dwelling type.

1.2.5 Housing needs projections

The section examines the future housing needs of the community based on the population and household growth projections. The population growth projections are based on the Census 2016 population counts for North Cariboo and the City of Quesnel and the adjusted age cohort and population growth rates from the Quesnel School District for the period 2016 – 2026. The findings

from the analysis provide the estimated market rate and non-market rate housing needs of the community.

1.2.6 Best practices

This section examines some of the proven and effective practices in affordable market rate and non-market housing across municipalities in the country and the province. The section also identifies some of the practices that can potentially be implemented to improve the housing supply and general affordability.

1.3 Limitations

Background data for this study was obtained from a variety of public (federal, provincial, regional, and municipal) and private sector sources (including comparable residential sales from the local real estate board), as well as from field work conducted by the consultant during the period March to August 2019.

Similar to other studies of this nature, a number of forecasts and assumptions regarding the state of the economy, the state of future competitive influences, and population projections have had to be made. These assumptions are made with great care and are based on the most recent and reliable information available. Should any assumptions noted in this study be undermined by the course of future events, we recommend that the study's findings be re-examined.

While specific assumptions may be noted throughout the report, the following general assumptions also apply:

- Real GDP growth and other economic indicators for the area will not significantly differ from the projections indicated in the study over the course of the study period.
- No unforeseen economic or political events will occur within the study period on a national, provincial, or local level, which would significantly alter the outcomes of the study's analyses. Short-term fluctuations are likely to occur, but long-term gradual growth rates should prevail.
- Actual population growth rates will be relatively consistent with the historical growth rates in the region.
- The demand and market analyses are based on estimates, assumptions and other information developed from research of the market and knowledge of the industry.
- The study does not speculate on the impact of high net-wealth on the housing needs of low-income senior households and retirees. This is primarily because the net-wealth data as well as the impact of such wealth on housing needs is not well understood.
- The 2006 and 2016 long-form Census were mandatory, while the 2011 long-form Census was optional. This could have resulted in underreporting for the 2011 Census and may have distorted the data for North Cariboo the City of Quesnel. Where appropriate, Urbanics has used 2006 Census data as a reference when 2011 Census data appears inconsistent.

2 Community context

2.1 Location

The North Cariboo region (Electoral Areas A, B, C and I) is the northern section of Cariboo Regional District (CRD). The City of Quesnel (i.e., “the City” or “the municipality”) is located in central British Columbia, Canada within the North Cariboo region along the banks of the confluence of the Fraser River and Quesnel River. The region has a reputation as a beautiful place to live with its proximity to a scenic riverfront and many striking natural landscapes. Quesnel is a popular destination for outdoor enthusiasts and attracts tourists and residents alike.

The municipality is roughly 121 kilometres south of the City of Prince George and 119 kilometres along Highway 97. Quesnel is on the main route to northern British Columbia and the Yukon. The Rocky Mountaineer train travels through and stops overnight in Quesnel. The municipality is the gateway to Barkerville Historic Town and Bowron Lake Provincial Park.

The Quesnel Airport offers daily commercial flights to and from Vancouver, BC. After the Quesnel Airport, the nearest airport is the Williams Lake Regional Airport and the Prince George Airport. The former provides scheduled commercial flights and general aviation operations and the latter provides both national and international connectivity to the residents and tourists to the City Quesnel.

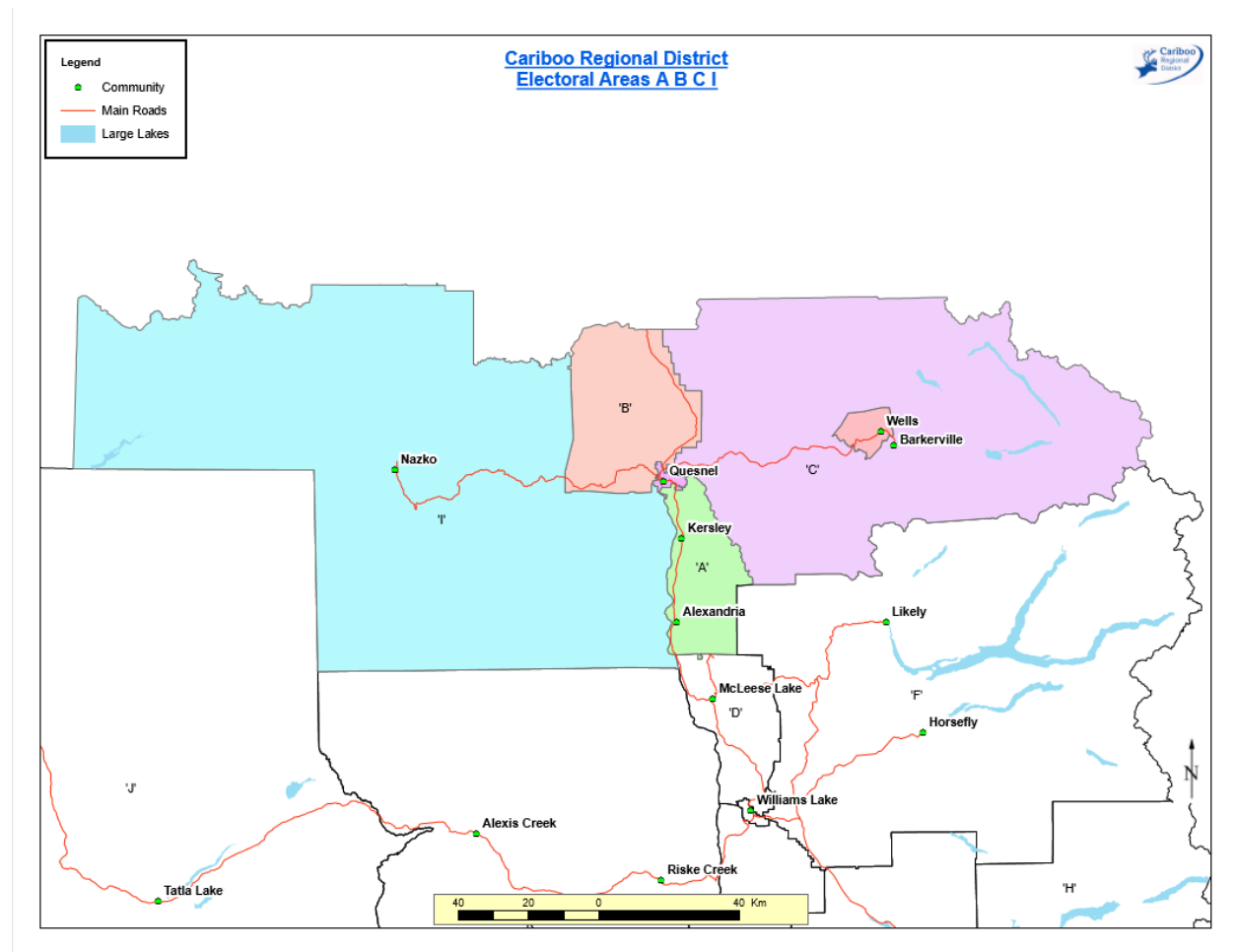


Figure 2: Regional Context of North Cariboo
Source: Cariboo Regional District GIS Map

The study will consider the region apart from the municipality as well as understand the interdependency of the community. In general, North Cariboo is more rural than the City of Quesnel and the Action Plan will incorporate urban- and rural-oriented strategies as is appropriate for each context. Many of the housing needs are experienced in the community (i.e., North Cariboo and City of Quesnel, although some are more acute in one community or the other.

2.2 Provincial economy

This section provides a brief economic outlook of the provincial economy. These macro-economic indicators are some of the important drivers of future housing demand at the provincial level. The following terms may be defined as:

- **Real Gross Domestic Product (GDP)** is an inflation-adjusted measure that reflects the value of all goods and services produced by an economy in a given year, expressed in base-year prices;
- **Nominal Gross Domestic Product** is a measure of the value of all finished goods and services produced by a country at their current market prices;

- **Employment** is number of people who have a job as a percentage of the working age population;
- **Unemployment rate** is the share of the labor force that is jobless, expressed as a percentage;
- **Retail sales** refers to purchases of finished goods and services by consumers and businesses;
- **Housing starts** the number of new houses begun during a particular period; and,
- **Consumer Price Index** an index of the variation in prices paid by typical consumers for retail goods and other items.

Economic Indicators		2012	2013	2014	2015	2016	2017	2018F	2019F	2020F
Real GDP	% change	2.5	2.2	3.7	2.1	3.2	3.8	1.7	2.5	2.5
Nominal GDP	% change	2.1	3.4	5.7	2.9	6	6.9	4.1	3.9	4.9
Employment	% change	1.6	0.1	0.6	1.2	3.2	3.7	1.1	1.8	0.7
Unemployment Rate (%)	rate %	6.8	6.6	6.1	6.2	6	5.1	4.7	4.7	4.8
Retail Sales	% change	1.9	2.8	6.3	7	7.7	9.3	2	3.7	3.9
Housing Starts	000's of units	27.5	27.1	28.4	31.4	41.8	43.7	40.9	36.9	34
Consumer Price Index	% change	1.1	-0.1	2.6	1.1	1.9	2.1	2.7	1.8	2.2

Table 1: Economic Indicators: British Columbia

Source: RBC Economics, Provincial Outlook (March 2019)

Note: Figures highlighted in grey are RBC Economics' estimates

The Province of British Columbia is expected to display stable GDP growth in 2019, primarily as a result of strong job growth and a robust housing market. According to RBC Economics Provincial Outlook March 2019, British Columbia's Real GDP output grew by an estimated 1.7 percent in 2018 and is projected to grow by 2.5 percent in 2019 and 2.5 percent in 2020 (Table 1).

According to RBC Economics Provincial Outlook March 2019, the Province is expected to display growth in employment in 2019 at a higher percent change as compared to the previous year (1.1 percent in 2018 as compared to 1.8 percent in 2019). The anticipated growth in employment as well as increase in home value gains are expected to lead to increases in consumer spending in the retail sales in the Province. The Province is expected to display strong growth in retail sales in 2019 (3.7 percent in 2019) and a higher rate of growth in 2020 (3.9 percent in 2020). However, housing starts are expected to decrease in 2019 and 2020 as compared to the last few years (from 40,900 in 2018 to 36,900 in 2019). The decline may be due to a low inventory of affordable housing across the Province with rising construction costs and cost of land.

Overall, the Province is expected to experience continued economic growth and strong demand for housing in the near future. However, this also assumes that the impact of wildfires on the

economy is localized and that the softwood lumber trade conflict with the US does not escalate further. The latter is especially critical for the City of Quesnel as its economy is primarily dependent on forestry, mining, and trade services.

2.3 Local Economy

Quesnel was settled by Indigenous people long before the Cariboo Gold Rush of 1862. The gold rush brought in many more people, among them prospectors and business owners that helped develop the area into a fledging community with a growing range of commercial activity. Since its incorporation in 1928, the major industries have been forestry, mining and agriculture (mostly ranching), with some oil and natural gas exploration in the area. Quesnel has a substantial concentration of wood manufacturing industries and several smaller value-added wood operations.

Table 2 demonstrates that, over the past three Census periods, most of the major economic sectors of the local economy have remained relatively stable as a percentage of the total labour force. Manufacturing and innovation, public services, and trade services are the principal employment sectors. As indicated in the 2016 Census, the manufacturing and innovation sector accounts for the highest share of the labour force (37 percent of the total labour force), with the second-highest sector being public services (25 percent).

Major Economic Sectors	Quesnel			North Cariboo			BC		
	2006	2011	2016	2006	2011	2016	2006	2011	2016
Tourism	665 (13%)	665 (14%)	680 (12%)	640 (9%)	495 (9%)	515 (8%)	290,330 (13%)	298,775 (13%)	332,210 (14%)
Business, finance and mgmt	105 (2%)	120 (3%)	180 (3%)	380 (5%)	200 (4%)	160 (2%)	138,040 (6%)	149,070 (6%)	153,120 (6%)
Public services	1235 (25%)	1055 (22%)	1430 (25%)	1,305 (18%)	1620 (29%)	1595 (24%)	584,795 (27%)	672,885 (29%)	691,215 (28%)
Manufacturing and innovation	1820 (37%)	1820 (38%)	2145 (37%)	3,200 (46%)	1620 (29%)	2905 (44%)	614,155 (28%)	596,335 (26%)	645,340 (27%)
Trade services	860 (17%)	860 (18%)	1045 (18%)	1245 (18%)	1270 (23%)	1035 (16%)	455,890 (21%)	475,500 (21%)	493,640 (20%)
Other services	250 (5%)	250 (5%)	285 (5%)	315 (4%)	300 (5%)	345 (5%)	109,895 (5%)	112,745 (5%)	112,335 (5%)
	4,935	4,770	5,765	7,025	5,505	6,555	2,928,630	2,305,310	2,427,860

Table 2: Employment by major sectors, 2006 – 2016

Source: Statistics Canada –Census 2006, National Household Survey 2011 and Census 2016

Note: 2011 NHS long-form was optional and may represent a limitation in providing the most accurate census data for 2011

Note:

- Tourism sector includes: accommodation and food services, arts, entertainment and recreation and information and cultural industries.
- Business, finance and management sector includes: finance and insurance, real estate, rental and leasing and management of companies and enterprises.
- Public services includes: healthcare and social assistance, education services, administration and support, waste management and remediation, utilities and public administration.

- Manufacturing and innovation sector includes: manufacturing, construction, professional scientific and technical services, mining, oil and gas and agriculture, forestry, fishing and hunting.
- Trade services sector includes: wholesale trade, retail trade and transportation and warehousing.

Table 2 also provides the labour force distribution for the five major economic sectors for the municipality, the subregion and the Province for the years 2006 to 2016. Although wavering slightly in 2011, manufacturing and innovation has remained the major industry with 37 percent of the share in 2016. The Table suggests that the proportion of the labour force involved in the tourism sector has oscillated since 2006; it declined from 13 percent of the total labour force in 2006, with an increase in 2011 to 14 percent, and declined again to roughly 12 percent in 2016. The public services sector also displayed oscillation from 25 percent in 2006, to 22 percent in 2011, to 25 percent again in 2016. The proportion of the labour force involved in the business, finance and management sector grew from 2 percent in 2006 to 3 percent in 2016. The share of the labour force involved in trade services modestly grew from 17 percent in 2006 to 18 percent in 2016, while other services remained constant during the same period at 5 percent. Assuming the trade services and business, finance and management sectors continue to increase as a share of the local economy, Quesnel will become home to more middle-income workers. Future housing for these workers will need to accommodate these income levels.

Table 2 below compares Quesnel to North Cariboo and shows that Quesnel's local economy is less reliant on manufacturing and innovation and has greater diversity within its local economy. Compared to British Columbia as a whole, however, Quesnel's local economy is significantly less diverse. This could indicate a competitive advantage and also a vulnerability in the event of a downturn in industries related to manufacturing and innovation, notably forestry and activities associated with the West Fraser Timber Company.

Labour force by industry, 2016	Quesnel	North Cariboo	BC	Quesnel	North Cariboo	BC
Total labour force	5,885	6,580	2,471,665			
Industry - not applicable	110	115	43,805			
All industries	5,775	6,510	2,427,865	100%	100%	100%
11 Agriculture; forestry; fishing and hunting	335	760	65,205	5.8%	11.4%	2.7%
21 Mining; quarrying; and oil and gas extraction	110	180	25,920	1.9%	2.7%	1.1%
22 Utilities	30	20	12,445	0.5%	0.3%	0.5%
23 Construction	360	565	199,985	6.2%	8.5%	8.2%
31-33 Manufacturing	1,220	1,155	157,560	21.2%	17.3%	6.5%
Goods producing industries	2,055	2,680	461,115	35.6%	40.2%	19.0%
41 Wholesale trade	110	90	82,105	1.9%	1.4%	3.4%
44-45 Retail trade	765	750	283,135	13.3%	11.3%	11.7%
48-49 Transportation and warehousing	170	285	128,400	2.9%	4.3%	5.3%
51 Information and cultural industries	90	70	67,225	1.6%	1.1%	2.8%
52 Finance and insurance	110	80	93,805	1.9%	1.2%	3.9%
53 Real estate and rental and leasing	70	70	54,995	1.2%	1.1%	2.3%
54 Professional; scientific and technical services	120	245	196,670	2.1%	3.7%	8.1%
55 Management of companies and enterprises	0	10	4,320	0.0%	0.2%	0.2%
56 Admin & support; waste mgmt & remediation	170	235	109,095	2.9%	3.5%	4.5%
61 Educational services	420	425	173,820	7.3%	6.4%	7.2%
62 Health care and social assistance	550	610	270,855	9.5%	9.2%	11.2%
71 Arts; entertainment and recreation	70	110	57,940	1.2%	1.7%	2.4%
72 Accommodation and food services	520	355	207,045	9.0%	5.3%	8.5%
81 Other services (except public administration)	285	345	112,335	4.9%	5.2%	4.6%
91 Public administration	260	305	125,000	4.5%	4.6%	5.1%
Services producing industries	3,710	3,985	1,966,745	64.4%	59.8%	81.0%

Table 3: Employment by Industry (2-Digit NAICS Codes), 2016

Source: Statistics Canada – Census 2016

Further, on taking a more detailed look at the labour force by NAICS (North American Industry Classification System) codes in 2016, Table 3 shows Quesnel's labour forces compared to North Cariboo and British Columbia. The highlighted labour forces specify where Quesnel has a larger share of that labour force than North Cariboo and British Columbia and may indicate a competitive edge for Quesnel. Within the municipality, it is evident that the largest share of labour force was involved with manufacturing (21.2%), retail trade (13.3%), health care and social assistance (9.5%) and accommodation and food services (9%). These industries along with the other highlighted industries are likely to be the basic industries of the municipality; i.e., these industries might be the net exporters of goods and services to the surrounding area and the other regions of the Province.

The top employers of the community are listed below according to the City's Economic Development Department:

- West Fraser Timber Company
- Quesnel School District
- Northern Health
- City of Quesnel
- Wal-Mart
- Dunkley Lumber

- Taseko Mines
- Clauson Logging
- Save-on Foods
- C&C Wood Products
- Safeway

In North Cariboo, Barkerville Gold Mines will be established by the year 2022 (approximately) and is expecting to employ over 300 workers which would place further pressure on the municipality and surrounding North Cariboo housing market. The highly paid workforce will bolster the middle to high-income households in the community.

Table 4 and 5 demonstrates respectively education level and commuting status for the City of Quesnel.

Education Level	Quesnel	North Cariboo	BC
No certificate, diploma or degree	28%	26%	16%
Secondary (high) school diploma or equivalency certificate	33%	33%	29%
Postsecondary certificate, diploma or degree	39%	42%	55%
Apprenticeship or trades certificate or diploma	12%	14%	9%
College, CEGEP or other non-university certificate or diploma	16%	17%	18%
University certificate or diploma below bachelor level	1%	2%	4%
University certificate, diploma or degree at bachelor level or above	10%	8%	25%

Table 4: Major field of study for the population aged 15 years and over in private households
Source: Urbanics Consultants Ltd. and Census 2016

The education level in the City of Quesnel for postsecondary certificate, diploma or degree is 39 percent of the municipality's population, modestly lower than North Cariboo and significantly lower than British Columbia. Quesnel and North Cariboo closely resemble each other in the educational levels attained in their populations, and both are significantly lower (42 percent of all postsecondary certificates, diplomas or degrees) than the province (55 percent postsecondary certificates, diplomas or degrees) in terms of the percentage of people earning a university certificate, diploma or degree at bachelor level or above. The education level may reflect a working age population that does not have access to middle to high income jobs other than in the manufacturing and trade services industries, which are typically high-paying jobs.

Commuting Status	Quesnel	North Cariboo	BC
Commute within census subdivision (CSD) of residence	67%	9%	49%
Commute to a different census subdivision (CSD) within census division (CD) of residence	31%	87%	46%
Commute to a different census subdivision (CSD) and census division (CD) within province or territory of residence	2%	3%	5%
Commute to a different province or territory	1%	1%	1%

Table 5: Commuting destination for the employed labour force aged 15 years and over in private households with a usual place of work

Source: Urbanics Consultants Ltd. and Census 2016

Table 5 demonstrates two main commuting patterns for residents of Quesnel, North Cariboo and British Columbia. Due in part to Quesnel's distance from other major employment centers, the majority (67 percent) of Quesnel workers commute within the municipality. This is significantly higher than North Cariboo (9 percent), and higher than British Columbia (49 percent).

2.4 Demographic trends

The population of Canada has grown from 30 million residents in 2001 to over 35 million in 2016, or approximately 343,000 people per year at an average annual rate of 1.1 percent. Net immigration added an average of 213,000 new residents annually to the national population, while natural increase added an average of 130,000 people. These national-level trends have been driven primarily by low and declining fertility rates and increases in economic activity and immigration.

Similar to demographic trends across the country, British Columbia's demographic trends point toward slight declines in birth rates, slight increases in life expectancy, growing net interprovincial migration, and increasing net international migration. These trends, along with the aging of BC's population have resulted in steady population growth in the province from 3.9 million in 2001 to 4.65 million by 2016, which translates into an annual growth rate of roughly 1.16 percent during 2001 - 2016 (Census 2001 and Census 2016).

In contrast with the provincial and national population growth trends, the population in North Cariboo decreased from 2001 to 2016. The decrease in population fell from 13,840 to 12,775 at an annual rate of -0.5 percent (Census 2001 and Census 2016). The population in the City of Quesnel decreased from 10,050 in 2001 to 9,885 in 2016, and at a rate of -0.1 percent as compared to the -0.5% percent for the subregion. However, Indigenous populations are increasing at a much higher rate on average across Cariboo than non-Indigenous populations, which would help balance the distribution of ages across the North Cariboo population as the community continues to rapidly age into the 65 years old over cohort.

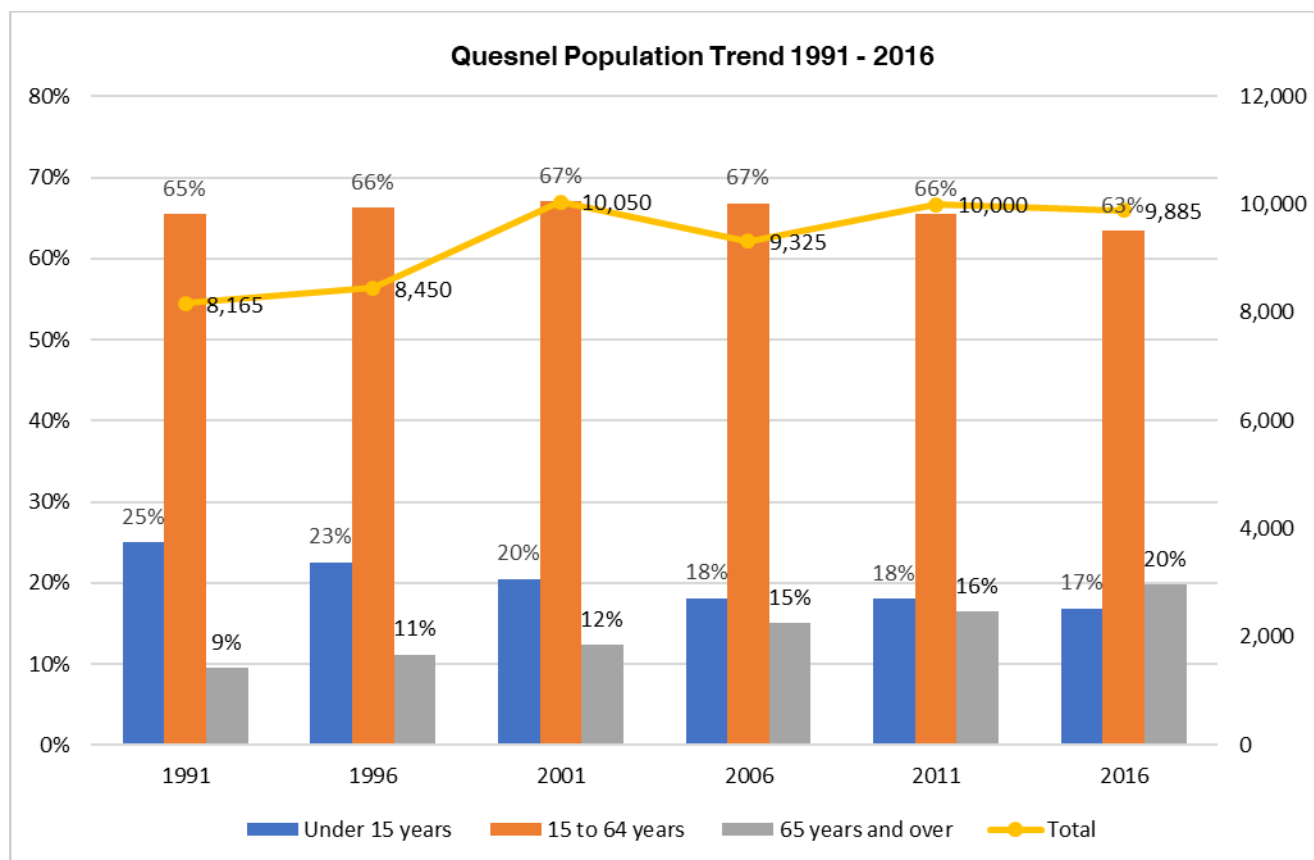


Figure 3: Historical population trends for the City of Quesnel
Source: Urbanics Consultants Ltd. and Census 1991 – 2016

Population	1991	1996	2001	2006	2011	2016
Under 15 years	2,045 (25%)	1,905 (23%)	2,060 (20%)	1,690 (18%)	1,805 (18%)	1,665 (17%)
15 to 64 years	5,345 (65%)	5,600 (66%)	6,745 (67%)	6,230 (67%)	6,550 (66%)	6,265 (63%)
65 years and over	775 (9%)	945 (11%)	1,245 (12%)	1,405 (15%)	1,645 (16%)	1,955 (20%)
Total	8,165	8,450	10,050	9,325	10,000	9,885
Population growth rate Period (5 years) Annual		3.4% 0.7%	17% 3.5%	-7% -1.5%	7% 1.4%	-1.2 -0.2%

Table 6: Historical population trend for the City of Quesnel
Source: Urbanics Consultants Ltd. and Census 1991 – 2016

Note: 2011 NHS long-form was optional and may represent a limitation in providing the most accurate census data for 2011

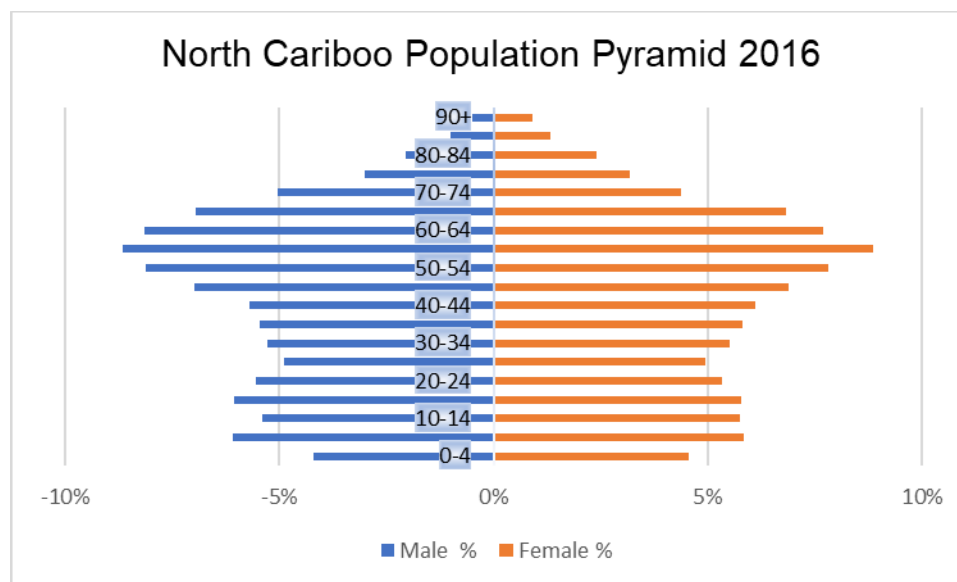


Table 7: Population Pyramid for North Cariboo

Source: Urbanics Consultants Ltd. and Census 1991 – 2016

Note: 2011 NHS long-form was optional and may represent a limitation in providing the most accurate census data for 2011

Figure 3 and Table 6 provide the historical population trend for the City of Quesnel. It shows that the municipality's population grew unevenly from 1991 to 2016, with a decrease between 2001 to 2006 and again in 2011 to 2016. It is during 2011 to 2016 the municipality has displayed a slight decrease of the working age population (15-64 age group) as a share of the total population from 66 percent to 63 percent. The age groups under 15 years old have decreased and the population 65 and over increased from 16 percent to 20 percent of the total population. Figure 7 shows the distribution of 5-year age cohorts. The swell around the population between 45 to 65 demonstrates the predominance of the greying population in North Cariboo.

Based on the above-mentioned historical population growth trends, the municipality is likely to witness a continued decrease in the share of the working age population, while the population under 15 years old continues to also gradually shrink. The aging of the working age population and the declining under 15 years old population during the next few decades will occur in step with the continued increase of the population over 65 years old. Further, the declining share of its younger population suggests that fewer younger families are moving to the municipality. The Indigenous population is growing at a much higher rate than the general population of North Cariboo and City, and this may translate into an increasingly diverse youth and working age population in the Region over the coming decades. These demographic trends are expected to have strong implications for housing needs in the municipality, which will be examined in the latter part of the study.

Interviews with stakeholders suggest that the Canadian Census may not be accurate for the years 2011 to 2016. It has been stated that there was no evident loss in population and that during the 2011 to 2016 period there was still a lack of supply for housing. Should this be the

case, the possible error in data collection could, in part, be attributed to the Census not accounting for new, unregistered secondary suites.

2.5 Household Growth

Table 8 provides historical trends in household sizes during the period 1991 to 2016. The Table shows that 1 person and 2 persons households are steadily growing as the dominant household sizes in the municipality; they represent roughly 34 percent and 37 percent of the total households in 2016. At the same time, the share of 4 or more persons households has experienced significant declines. Overall, average household sizes have steadily declined from 2.6 in 1991 to 2.2 in 2016. While the City of Quesnel's average household is smaller than British Columbia (2.4), it is comparable to other similarly sized communities in the interior of British Columbia. This trend is likely to continue in the future and perhaps at a faster pace than the Province. North Cariboo can be expected to follow the same trend.

Household Size	1991	1996	2001	2006	2011	2016
1 person	805 (26%)	930 (28%)	1,190 (30%)	1,205 (31%)	1,400 (32%)	1,175 (34%)
2 persons	940 (31%)	1,100 (33%)	1,310 (33%)	1,390 (36%)	1,550 (36%)	1,960 (37%)
3 persons	475 (16%)	490 (15%)	595 (15%)	515 (13%)	610 (14%)	735 (14%)
4 persons or more	820 (27%)	800 (24%)	935 (23%)	805 (21%)	770 (18%)	865 (16%)
Total Households	3,040	3,320	4,030	3,915	4,330	5,355
Total Population	8165	8450	10050	9325	9320	11675
Average Household Size	2.6	2.5	2.4	2.3	2.3	2.2

Table 8: Trends in Household Size, 1991-2016

Source: Urbanics Consultants Ltd. and Census 1991 - 2016

Table 8 highlights that the municipality contains a lower share of one-census-family households (61 percent for the City versus 71 percent for North Cariboo) and a higher share of non-census-family households (i.e., one person living alone or a group of two or more people sharing a private dwelling) as compared to North Cariboo (38 percent for the municipality versus 28 percent for the region). This also suggests that the municipality had a higher share of non-census 1 person and 2 persons households in 2016 as compared to the Region. Thus, the municipality is experiencing significant demographic shifts towards smaller household sizes, which can be expected to have a substantial influence on the housing needs of the community.

Private households by household type	Quesnel	North Cariboo	BC	Quesnel	North Cariboo	BC
One-census-family households	3,270	3,865	1,195,735	61%	71%	64%
Without children	1,530	2,120	527,700	29%	39%	28%
With children	1,740	1,740	668,035	32%	32%	36%
Multiple-census-family households	65	85	55,035	1%	2%	3%
Non-census-family households	2,020	1,510	630,620	38%	28%	34%
One-person households	1,795	1,330	541,915	34%	24%	29%
Two-or-more person households	220	185	88,705	4%	3%	5%
Total Private households	5,355	5,460	1,881,390			

Table 9: Household Composition (2016 Census)

Source: Statistics Canada 2016 Census

2.6 Household income

This section compares the total annual household income of the City of Quesnel with North Cariboo, based on the 2016 Census. The total household income is the sum of the total incomes of all members of that household before income taxes and deductions. It includes income from:

- employment income from wages, salaries, tips, commissions and net income from self-employment;
- income from government sources, such as social assistance, child benefits, employment insurance, old age security pension, pension plan benefits and disability income;
- income from employer and personal pension sources, such as private pensions and payments from annuities and RRIFs;
- income from investment sources, such as dividends and interest on bonds, accounts, GICs and mutual funds; and,
- other regular cash income, such as child support payments received, spousal support payments (alimony) received and scholarships.

The City of Quesnel contains a larger proportion of households with an annual total income of less than \$30,000 in 2015 (Table 10) as compared to North Cariboo and British Columbia. Approximately 23 percent of the total households in the municipality had an annual total income lower than \$30,000 as compared to 18 percent for North Cariboo and 19 percent for the Province. The municipality displayed a higher share of households (26 percent) with annual total income in the range of \$30,000 to \$59,999 as compared to 24 percent for both North Cariboo and the Province.

However, the municipality displayed a lower share of households earning more than \$60,000 per year (51 percent) compared to North Cariboo (57 percent) and British Columbia (57 percent). It appears Quesnel has lower household incomes than North Cariboo and the Province, and North Cariboo's share of different household incomes closely mirrors the Province.

It should be noted that roughly half of the households in the municipality earn less than \$60,000 per year. In addition, a significant proportion of these households are likely to be senior households (head of the household is 65 years and over) and retirees, who are more likely to face housing suitability and affordability issues. Therefore, the municipality is likely to experience a higher need for more affordable and lower priced housing products aimed at senior households.

It should also be noted that a significant proportion of senior households and retirees might have sizeable net-wealth but have incomes lower than \$60,000. These households are likely to require market-rate housing as opposed to affordable housing as well as transitioning from larger 2-storey homes to a low maintenance, one-storey housing typology. As an aside, this shift in housing demand will have the effect of increasing the stock of 2-storey family homes. However, the net-wealth data is not available, therefore this study does not speculate on the net-wealth characteristics of low-income seniors.

Household income (2015)	Quesnel		North Cariboo		BC	
	#	%	#	%	#	%
Under \$5,000	60	1%	75	1%	43,415	2%
\$5,000 to \$9,999	80	2%	75	1%	27,140	1%
\$10,000 to \$14,999	225	4%	135	2%	55,745	3%
\$15,000 to \$19,999	325	6%	215	4%	77,565	4%
\$20,000 to \$29,999	535	10%	480	9%	151,065	8%
\$30,000 to \$39,999	510	10%	470	9%	156,475	8%
\$40,000 to \$49,999	470	9%	445	8%	155,170	8%
\$50,000 to \$59,999	405	8%	400	7%	143,475	8%
\$60,000 to \$79,999	660	12%	770	14%	255,195	14%
\$80,000 to \$99,999	605	11%	670	12%	210,770	11%
\$100,000 to \$124,999	535	10%	685	13%	198,140	11%
\$125,000 to \$149,999	385	7%	440	8%	138,420	7%
\$150,000 and over	525	10%	580	11%	271,290	14%
	5,320	100%	5,440	100%	1,883,865	100%
Under \$30,000	1,225	23%	980	18%	354,930	19%
\$30,000 to \$59,999	1,385	26%	1,315	24%	455,120	24%
\$60,000 to \$99,999	1,265	24%	1,440	26%	465,965	25%
\$100,000 and over	1,445	27%	1,705	31%	607,850	32%

Table 10: Income Distribution - 2015

Source: Statistics Canada 2016 Census

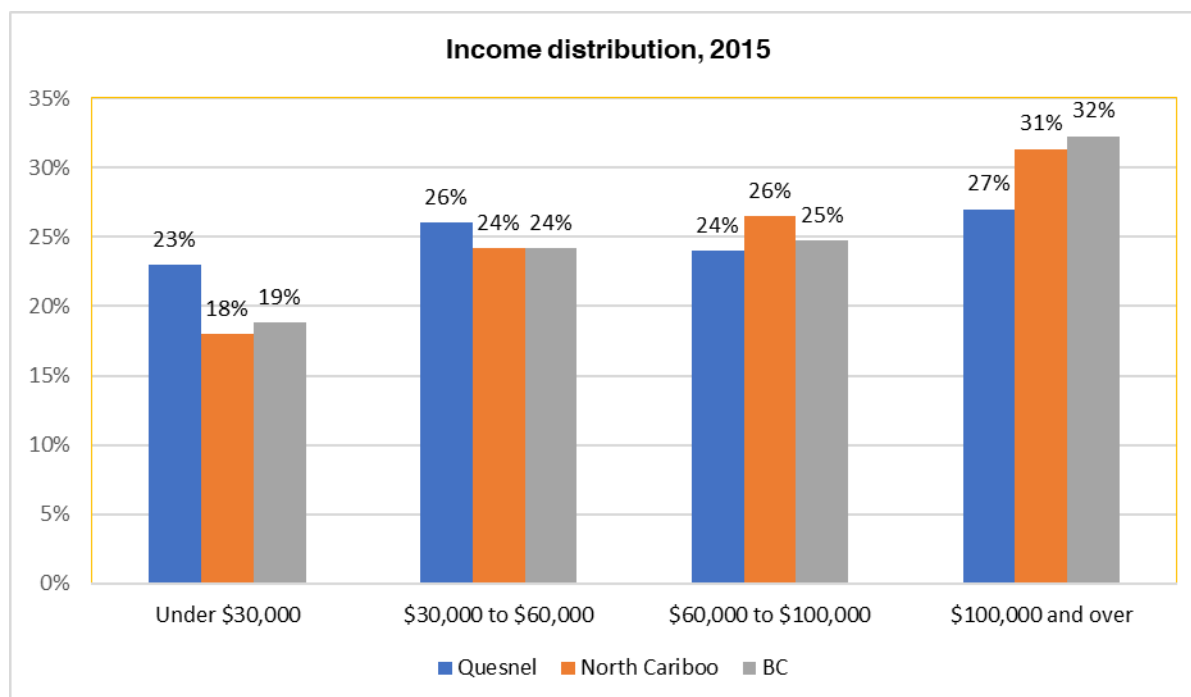


Figure 4: Income Distribution – Quesnel, North Cariboo and British Columbia (2015)

Source: Statistics Canada 2016 Census

In addition to the distribution of household income, we examined the distribution of median income of economic families and households in the year 2015. Median family and household income is a useful statistic to examine and compare incomes of economic families and households as it provides the middle point in income distribution of each economic family and household group.

Figure 5 provides the graphic representation of the comparative assessment of median incomes for the City of Quesnel in comparison to North Cariboo and British Columbia. It is evident from the graph that the municipality had a higher median income for economic families (i.e., a group of two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law or adoption) as compared to North Cariboo, but significantly lower household incomes (i.e., the combined gross income of all members of a household, defined as a group of people living together, who are 15 years or older) compared to both North Cariboo and British Columbia.

The data illustrates that the:

- Overall median family income in the municipality was \$ \$84,108 in 2015 as compared to \$82,760 for North Cariboo and \$ \$88,451 for British Columbia;
- Overall median household income in the municipality was \$60,651 in 2015 as compared to \$66,766 for North Cariboo and \$69,995 for British Columbia.

Table 11 provides the median income of economic families and households in the municipality as a share of the overall Provincial median income for each of the categories. The Table shows that

the overall median family income in the municipality is 95 percent of the Provincial median family income. In addition, the municipality's median income is:

- 100 percent of the Provincial median income for couple-only families;
- 100 percent of the Provincial median income for couple-with-children families; and,
- 81 percent of the Provincial median income for lone-parent families.

The Table also suggests that the overall median household income in the municipality is 87 percent of the Provincial median household income. The median income of economic families in the municipality is significantly lower than the subregion and the Province. Thus, a large proportion of households in the municipality is earning lower incomes than North Cariboo and the Province and can be expected to display a lower demand for upper-scale new market housing products than the Region and Province. However, the demand for upper-scale housing products has been demonstrated by the individuals and families that are often looking for such housing products but cannot meet their needs in the municipality. Interviews with Northern Health Authority staff and other stakeholders indicate there are health professionals that cannot find the upper-scale housing product and as a result may not choose live in the community.

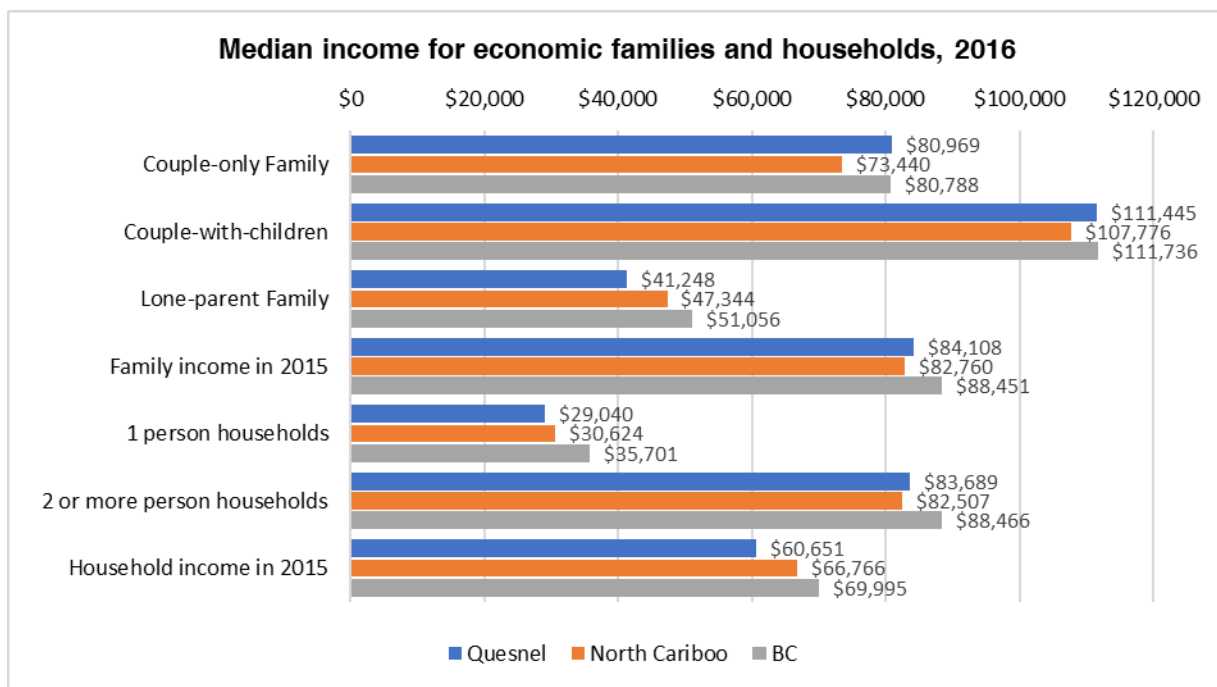


Figure 5: Median Household Income Levels for Selected Household Structures

Source: Statistics Canada 2016 Census

	Median income in 2015			Comparison to BC (%)	
	Quesnel	North Cariboo	BC	Quesnel	North Cariboo
Economic families					
Couple-only Family	\$ 80,969	\$ 73,440	\$ 80,788	100%	91%
Couple-with-children	\$ 111,445	\$ 107,776	\$ 111,736	100%	96%
Lone-parent Family	\$ 41,248	\$ 47,344	\$ 51,056	81%	93%
Family income in 2015	\$ 84,108	\$ 82,760	\$ 88,451	95%	94%
Households					
1 person households	\$ 29,040	\$ 30,624	\$ 35,701	81%	86%
2 or more person households	\$ 83,689	\$ 82,507	\$ 88,466	95%	93%
Household income in 2015	\$ 60,651	\$ 66,766	\$ 69,995	87%	95%

Table 11: Median Household Income Levels for Selected Household Structures
Source: Statistics Canada 2016 Census

2.7 Population projections

Similar to the demographic trends across the country, the Province of British Columbia is expected to experience a slight decline in birth rates and slight increases in life expectancy, net inter-provincial migration, and net international migration. These trends, along with the aging of British Columbia's population have resulted in a steady population growth in the province from 3.9 million in 2001 to 4.65 million by 2016, which translates into an annual growth rate of roughly 1.16 percent during 2001 - 2016 (Census 2001 and Census 2016).

While net migration inflows into British Columbia over the projection may continue to tip the province's overall sex ratio in favour of males, the aging of the large baby boom cohort into senior ages, and higher female life expectancies, may pull the sex ratio in favour of females. These two opposing forces will keep the sex ratio fairly stable over the projection at 98.4 males per 100 females.

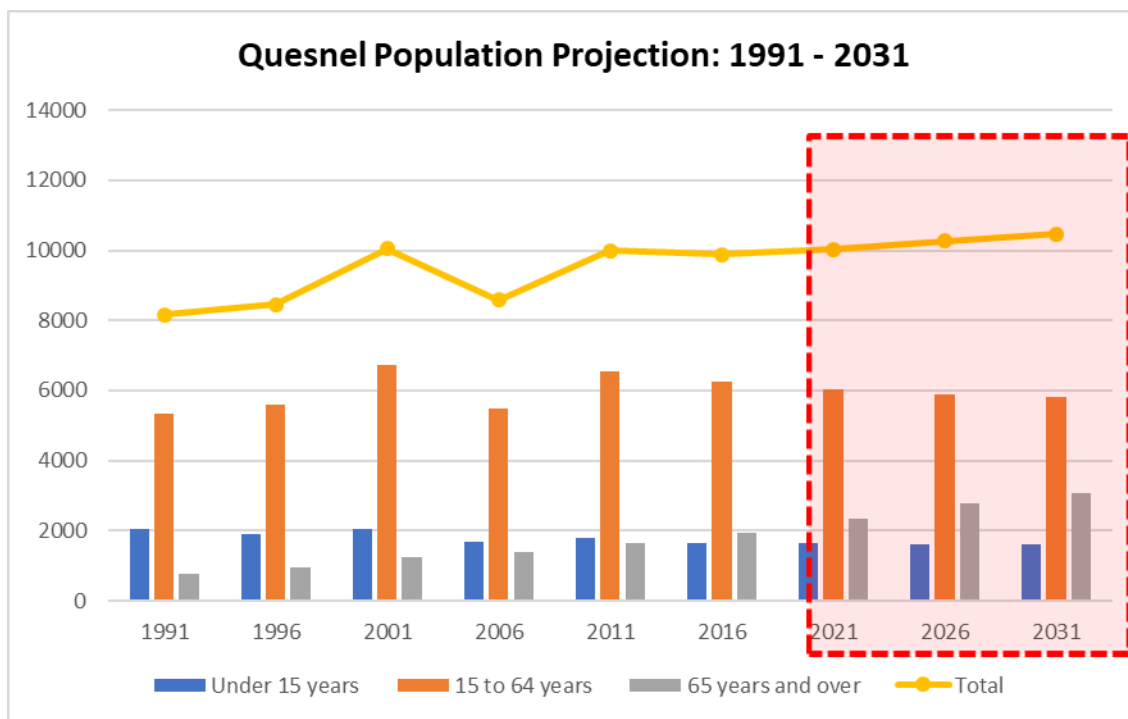
According to BC Stats, the population of the Cariboo Regional District in 2018 was 63,447 and its projected population for 2029 is 64,987; this translates to a population growth rate of 0.14 percent. The population projections in this report used the Census 2016 population counts for the base year (2016) and the age cohort and gender-based population growth rates for the Cariboo Regional District and School District 28 for the period 2019 - 2041 (P.E.O.P.L.E 2018, BC Stats, April 2019) to project the population respectively for North Cariboo and the City of Quesnel. These population projections are expected to incorporate all the components of population growth in the region such as fertility and mortality as well as economic migration generated by industrial growth.

However, since the municipality has a relatively small population center and displays moderate boom-bust cycles, it would be prudent to revisit these projections at least every 5 years. Furthermore, for the purpose of this report only the population projections for 2019 to 2031 period are presented below and used in the remainder of the report. The projections suggest that:

- The population of the municipality will grow from 9,885 in 2016 to 10,467 in 2031, at an annual growth rate of 0.34 percent;

- The share of population under 15 years of age would decline (17 percent to 15 percent) during the projection period;
 - The share of population aged 15 years to 64 years would decline from 63 percent in 2016 to 55 percent in 2031; and,
 - The share of population aged 65 years and over would increase from 20 percent in 2016 to 29 percent in 2031.
- Overall the municipality is expected to add a total of 542 people or roughly 36 people every year during 2016 - 2031. The population in the age group:
 - 65 years and over will experience the only net increase of 1,102 people during the period;
 - 15 to 64 years will experience a net decrease of 460 people during the period; and
 - Under 15 years will experience a net decrease of 60 people during the period.

Thus, the population increase during 2016 - 2031 is expected to be in the population aged 65 years and over. According to the Canadian Community Survey (2015-2016), about 74% of the Northern Interior HSDA population (aged 12 and up) reported a somewhat strong or very strong sense of belonging to their local community. North Cariboo may provide a community that residents feel attached to and will influence their decision to continue reside in the community throughout the life cycle.



Population	1991	1996	2001	2006	2011	2016	2021	2026	2031
Under 15 years	1,665 (20%)	1,905 (23%)	2,060 (20%)	1,685 (20%)	1,805 (18%)	1,665 (17%)	1,643 (16%)	1,597 (16%)	1,605 (15%)
15 to 64 years	6,265 (77%)	5,600 (66%)	6,745 (67%)	5,500 (64%)	6,550 (66%)	6,265 (63%)	6,041 (60%)	5,891 (57%)	5,805 (55%)
65 years and over	1,955 (24%)	945 (11%)	1,245 (12%)	1,400 (16%)	1,645 (16%)	1,955 (20%)	2,336 (23%)	2,773 (27%)	3,057 (29%)
Total	8,165	8,450	10,050	8,585	10,000	9,885	10,020	10,261	10,467

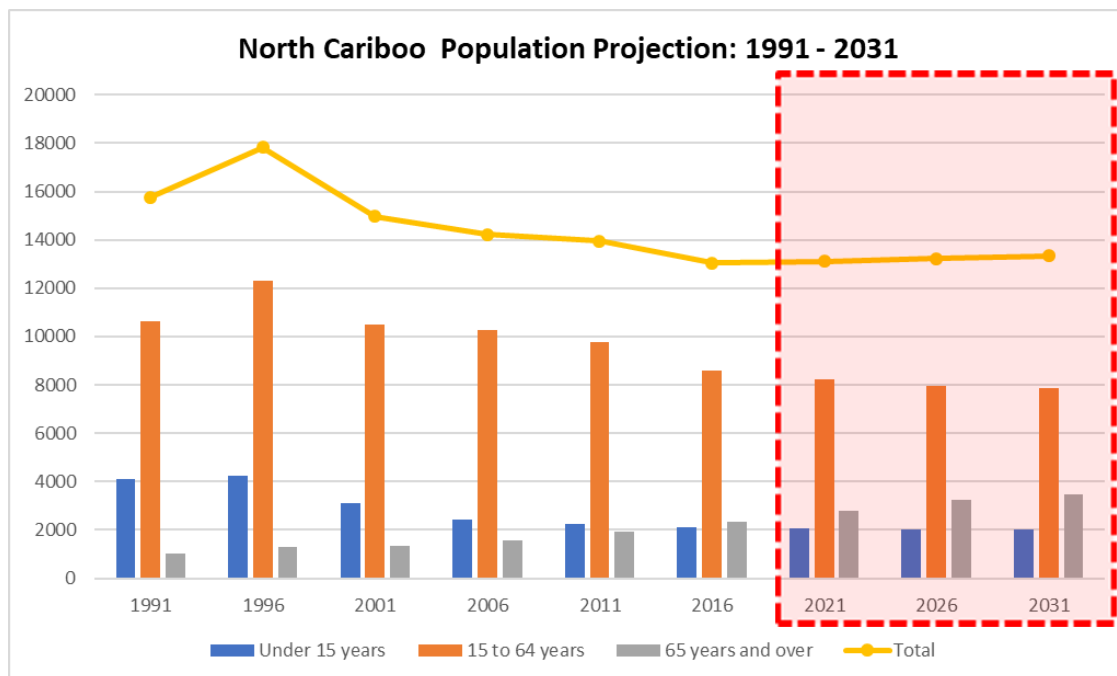
The North Cariboo subregion follows the same population projection trends as the City of Quesnel because both are based on the same population growth rate (School District 28), so similar trends apply. The population of North Cariboo will grow from 13,055 in 2016 to 13,328 in 2031;

- The share of population under 15 years of age would decline (16 percent to 15 percent) during the projection period;
- The share of population aged 15 years to 64 years would decline from 66 percent in 2016 to 59 percent in 2031; and,
- The share of population aged 65 years and over would increase from 18 percent in 2016 to 26 percent in 2031.

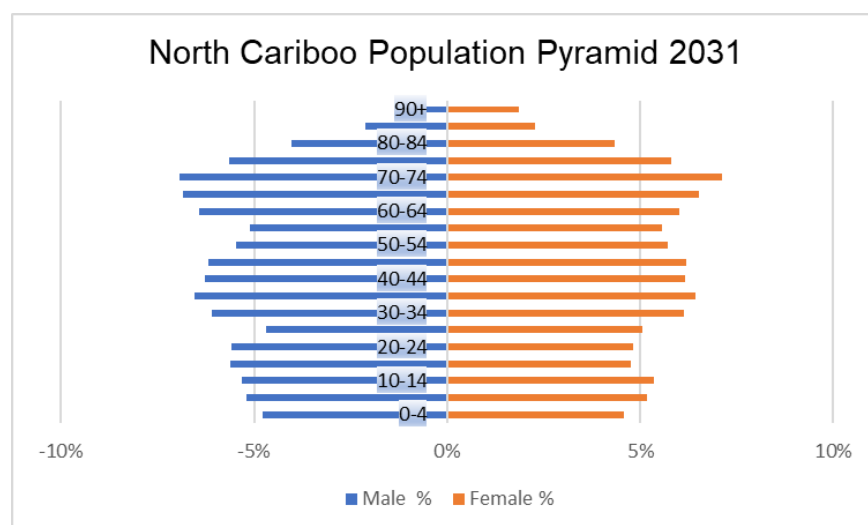
Overall North Cariboo is expected to add a total of 273 people or roughly 18 people every year during 2016 - 2031. The population in the age group:

- 65 years and over will experience the only net increase of 1,098 people during the period;
- 15 to 64 years will experience a net decrease of 744 people during the period; and
- Under 15 years will experience a net decrease of 81 people during the period.

Therefore, the population increase during 2016 - 2031 is expected to be in the population cohort aged 65 years and over.



Population	1991	1996	2001	2006	2011	2016	2021	2026	2031
Under 15 years	4,095 (26%)	4,235 (24%)	3,117 (21%)	2,410 (17%)	2,261 (16%)	2,097 (16%)	2,074 (16%)	2,006 (15%)	2,016 (15%)
15 to 64 years	10,644 (68%)	12,323 (69%)	10,517 (70%)	10,250 (72%)	9,762 (70%)	8,602 (66%)	8,235 (63%)	7,973 (60%)	7,858 (59%)
65 years and over	1,016 (6%)	1,278 (7%)	1,334 (9%)	1,564 (11%)	1,937 (14%)	2,356 (18%)	2,803 (21%)	3,256 (25%)	3,454 (26%)
Total	15,755	17,836	14,968	14,224	13,960	13,055	13,112	13,235	13,328



3 Housing Action Plan

The over-arching objective of the HAP is to examine and provide a series of actions that could potentially be used by the region and municipality in addressing the housing challenges faced by the entire community. The HAP is mindful of the limited resources available to local governments and focuses on enhancing the community's ability to offer a wide variety of housing types, sizes, tenures, and prices across the housing continuum.

The HAP acknowledges that addressing the housing challenges faced by the community would require active engagement with non-profit partners, private sector development partners, major employers, the Provincial and Federal government, and other public agencies.

The HAP is also mindful of the current challenges faced by entry level homeowners, renter-households, senior households, and low-income households in the community, as well as incoming young professionals, families, and retirees that desire to move to Quesnel. The HAP focuses on enhancing the housing choices that are available to such households in the housing market. In addition, it is mindful of the fact that no single strategy can meet all housing needs; i.e. a combination of all discussed strategies will be required to address the housing issues faced by the community.

The HAP builds upon the seven focus areas identified in the previous section, namely:

- Address market-rate housing needs
- Address non-market housing needs
- Enhance supply of rental housing
- Enhance housing affordability
- Maintain the quality of the current housing stock
- Facilitate development on vacant lands
- Prepare for anticipated growth in population aged 65 years and over

The resulting strategy represents a proactive approach to addressing the housing issues being faced by North Cariboo and City of Quesnel, while staying within the resources and authority of the region and municipality.

3.1 Objective 1: Address market-rate housing needs

The community will benefit by using the findings from this study to guide new housing developments within the community. It is important to note that the consultant recommends the region and City should periodically assess the residential supply and demand characteristics (every 3 to 5 years) because this will identify the most contemporary housing issues in both rural and urban communities. This will help in achieving the most appropriate balance of diverse housing types and price points in the community. At present, the suggested actions that follow will aid in creating more housing options for different population groups.

The following table provides an overview of this objective's strategies and each strategy's priority level, potential strategic partners, and measures of success.

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 1.1: <i>Enhance density on properties that are already serviced with municipal water and sewer lines, particularly in existing urban properties</i>	High	CRD and City Development Services, homebuilders, developers, and homeowners	Number of market-rate dwelling units; number of housing completions; rent affordability; vacancy rates; assessments
Strategy 1.2: <i>Enhance the supply of entry-level housing for young adults/professionals and senior-appropriate housing</i>	Medium	CRD and City Development Services and homebuilders	Number of market-rate entry-level housing units, seniors housing units, number of units, rent affordability and vacancy rates, sales prices and rental rates, affordability and vacancy rates

3.1.1 Strategy 1: Enhance density on properties that are already serviced with municipal water and sewer lines, particularly in existing urban properties.

Detail: There is an opportunity to allow the owners of existing urban properties to increase density, for example, by converting a garage or basement into a rentable suite, allowing secondary suites, adding a storey, or replacing single-family with multi-family housing. In addition, a significant amount of affordable housing can easily be added by promoting cheaper wood-frame multi-family (two- to six-storey) buildings. This strategy is expected to be the most cost effective overall, because it enhances density in existing neighbourhoods, provides additional income to residents, and provides more affordable housing options for residents. However, such development can create local impacts (construction noise and dust problems), which lead to neighbourhood resistance. Regardless, facilitating development on vacant and underutilized lands is of great importance.

Suggested Actions:

- Continue to allow secondary suites in existing single-family home zones, subject to neighbourhood context, parking and design considerations. The consultant specifically recommends:
 - The region is progressive to already permit secondary suites in most residential zones except for manufactured home parks and multi-family residential. City neighborhoods that show the propensity for secondary suites, like Johnson and Carson, many survey respondents indicated that they would like more ubiquitous use of secondary suites for several reasons (e.g., aging parents or a financial supplement to help pay their mortgage). The educational institutions

- in the area also supply a steady stream of students that need affordable accommodation.
- Consider requiring newly constructed single-family detached housing to be “suite-ready,” i.e. installation of utilities and other fire and life-safety requirements in place at time of original construction. Installing at the time of construction is less costly than retroactive installation; these upgrades can be cost-prohibitive for homeowners if not required at the time of the main dwelling’s construction.
 - Set amnesty period for homeowners with non-complaint suites to disclose and upgrade.
 - Allow homeowners a grant for renovation expenses related to secondary suites if committed to renting to residents for at least 5 years. The consultant suggests grants for up to 50 percent (maximum \$10,000) for qualified renovation expenses.
- Consider the use of lock-off, secondary and micro-suites in multi-family developments as part of upcoming neighbourhood plan updates. Consider these options for properties analyzed in the housing development analysis, specifically for Lot 2 Plan 29057/Site next to City Hall, due to its proximity to downtown and public amenities which lend support to higher density configurations.
 - Rezone large lot parcels for smaller parcel sizes and subdivisions as well as cooperative ownership structures. There are low vacancy rates in Quesnel’s higher density residential zones (RS3 and RM1 through RM4) and high vacancy rates for single-detached residential zones (RS1 and RS2); this presents an opportunity to allow smaller parcel sizes in the zones that are presently under-utilized.
 - Promote tiny lots/micro-units in RS2 and RS3.
 - For instance, the consultant recommends allowing six houses on four lots facing a veranda instead of a sixplex. This has the potential to create a “pocket neighborhood,” which is a type of planned community that consists of a grouping of smaller residences, often around a courtyard or common garden, designed to promote a close knit sense of community and neighborliness with an increased level of contact. Pocket neighborhoods has shown to provide great potential for attracting young adults, small families, and seniors who are interested in smaller units with access to community amenities and the opportunity to create high social capital. This model could be based on ownership, rental or a combination of the two.
 - Example: Second Ave., Smithers, BC contains six houses on four lots facing a veranda instead of a six-plex and has reduced parking requirements. The affordable rental units (540 sf.) rent for \$750 per month, lower than most of the surrounding area.
 - Reduce parking for detached housing from two spaces to one space, paying special consideration for neighborhoods such as North Quesnel.
 - Flexibility in minimum lot sizes and setbacks, principally RS1, RS2, and RS3.
 - Encourage compact housing proposals from private developers,
 - For example, lot splitting, backyard infill, and freehold townhomes.

- Allow flexibility in higher densities and building heights.

3.1.2 Strategy 2: Enhance the supply of entry-level housing for young adults/professionals and senior-appropriate housing

Detail: The community will be well-served by working with homebuilders in reducing the costs and the risks associated with developing. This is especially important because the housing market features a range of risks related to development returns, and fluctuating occupancies in the community. Thus, the community will benefit by providing incentives to developers of seniors housing and housing that appeals to young professionals in the community to reduce their front-end costs as well as the anticipated risks in the development. This strategy is expected to be very effective in addressing housing needs for senior households and younger households in the community. This would create dwelling types that are needed in the community and improved utilization of land with appropriate housing types, thus increasing the housing options available to the community as well as the local tax base.

Suggested Actions:

- Use municipal entitlements and incentives to direct growth within appropriate locations
 - In the region, there is evidence to support demand for a strata small-parcel lots that require little to no maintenance. Gated communities of this design were also brought up in part of the interviews and surveys with stakeholders. Lands in the region and just south of Quesnel appear to be the most appropriate location for this type of development.
 - In the municipality, directing growth with mixed use utility along the east and west banks of the Fraser River with smaller, higher density dwellings and finer interior furnishings serves some of the perceived demand of both seniors and young professionals.
 - Potential incentives could include reducing fees, granting density bonuses, and otherwise working with developers on reducing their front-end costs
- Review design standards in the Multi-family Housing Incentives Program to lessen their cost burden.
- Encourage development of diverse housing stock in West Quesnel that attract middle to high income households in order to create a mixed-income community.
- Coordinate land use and transportation to achieve better-designed density. The consultant recommends an in-depth transportation analysis of North Cariboo with a focus on the municipality.
- It was reported that large subdivisions (subdivisions greater than 20 lots) are typically better financially suited to include smaller parcels. Generally, new single family developments for lots under 0.5 acres should only be allowed in major community developments because allowing many small subdivisions of less than 20 lots will create difficulty for construction of infrastructure needed to serve each lot.

- Create capital funding options for achieving affordable housing (see opportunities for capital funding in Section 9 for Provincial government role.)
- Advocate to other levels of government for specific measures to address funding gaps for low-to-moderate income housing (e.g., CMHC seed funding, capital funding, subsidies and tax incentives or other measures).
- Residents may act as their own developer in a cohousing development where the price point may be 10 to 20 percent lower than market value. Consider providing development incentives for residents to develop their own cohousing developments, with special attention for senior cohousing developments.
- Floating height limits within two or three blocks allows incremental development within neighborhoods. Neighborhoods can avoid creating “monocultures” and adjust to market demand by allowing height limits to vary based on the average heights of buildings.
- Monitor progress quarterly using Success Measures below.

3.2 Objective 2: Address nonmarket housing needs

Non-market housing refers to a wide spectrum of housing types, including affordable seniors housing, subsidized social housing for people with special needs, homeless shelters, transition housing, and various housing types that low- and middle-income households can rent and purchase.

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 2.1: <i>Work with other levels of government, community agencies, and the development community to address housing affordability issues in terms of seniors housing and below market-rate rental housing</i>	Medium	CRD and City Development Services, senior government (provincial and federal), CMHC, non-profits and homebuilders	Number of non-market-rate housing units, including shelters, transitional homes, seniors housing, supportive, and below market-rate rentals
Strategy 2.2: <i>Undertake research and education to support innovation</i>	Medium	CRD and City Development Services; private home developers.	Collaborate with community agencies and non-market housing providers in identifying current housing needs of the community

3.2.1 Strategy 1: Work with other levels of government, community agencies, and the development community to address housing affordability issues in terms of seniors housing and below market-rate rental housing

Detail: The greatest nonmarket housing needs appears to be in seniors housing, assisted living, and below market-rate rental. The municipality will gain by working with the non-profit sector

and Provincial and Federal agencies to create and implement programs and policies to address that adequate number of affordable rental housing is available to support the increase in low-income singles, families and seniors going forward. In addition, the gap of housing services for mental health, substance abuse, and homelessness issues in the community has been well-addressed and should be reassessed within the next three to five years.

Suggested Actions:

- Explore opportunities for innovative multi-agency cooperation with other levels of government, the development community, and non-profit housing providers.
- Promote the creation of special needs housing projects that are managed by community agencies and non-profits, including seniors housing, shelters, and housing for the homeless and people with mental health and addiction issues.
- Review the use of City resources for housing affordability projects, in conjunction with Council's financial plan, business plan and capital funding processes.
- Advocate, in collaboration with others, for increased senior government support of local housing affordability initiatives.
- Enhance the supply of seniors housing through the Housing Reserve Fund, donating City-owned land, grants-in-aid, and waiver of property taxes or development charges for non-profit housing projects to facilitate development of much-needed seniors housing.
- Partner with non-profit agencies to enhance the support services for the homeless population.
- Pursue funds from the BC Government's modular housing program, which seeks to invest \$291 million towards building 2,000 modular housing units for homeless people or those at risk of homelessness, the latter group of particular consequence to the City of Quesnel as rental subsidies are reported to be currently stretched as far as possible and many homes are applying for rental subsidies and are not able to receive them. The Province is expected to work with local governments and community groups in order to create a homelessness action plan through permanent housing and services, starting with Prince Rupert (\$3.6 million for 44 units), Terrace (\$8 million for 52 units) and Vernon (\$11 million for 53-unit supportive housing project).
- The community should work with First Nation community partners to help connect CMHC and First Nations low-income seniors or adults that live with disability for CMHC programs that offer financial assistance for the construction of secondary suites.

3.2.2 Strategy 2: Undertake research and education to support innovation

Suggested Actions:

- Create and maintain an inventory of affordable and accessible housing in the region and municipality.
- Research housing affordability programs and development models used in other locations, to foster innovation in housing affordability and communicate best practices.
- Collect, analyze, and provide housing data to non-market housing providers, other municipalities, community agencies, government agencies, and the media, as needed, and to support housing affordability initiatives.

- As part of the ongoing implementation of this strategy, Council may consider funding of additional staff resources if required to implement and deliver all elements of this strategy action or a portion of a staff position funded through a City, subregional or community-combined Affordable Housing Fund.

3.3 Objective 3: Enhance supply of rental housing

Enhance the supply of multi-family rental housing, predominantly within the municipality. One of the obstacles faced by the municipality is the cost of developing rental housing and corresponding affordability of the rental products. Residents that recognize the affordability issues in the community must be willing to embrace denser built forms and residents that deal with affordability issues will need to live in multi-family buildings, including duplexes, fourplexes and apartment buildings.

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 3.1: <i>Facilitate rental housing supply</i>	High	CRD and City Development Services and developers	Number of rental units, rental rates, vacancy rates
Strategy 3.2: 3.3.2 <i>Facilitate workforce housing</i>	Medium	CRD and City Development Services, top employers and developers	Number of workforce housing units created, sales prices, rental rates, vacancy rates

3.3.1 Strategy 1: Facilitate rental housing supply

Suggested Actions:

- Recognizing shifting housing market dynamics, encourage the development of designated market rental units.
- Reevaluate the municipality's development incentives. Note that the Multi-Family Housing Incentive requires some expensive exterior design standards that are typically absent among other communities in British Columbia and may deter interest in the incentive.
- Continue to enhance rental supply through the creative use of municipal incentives, density bonus, DCC discounts, reduced parking requirements, and other programs. The municipality could also potentially enter into a partnership with developers to develop and operate rental apartment units on City-owned land parcels. Some other suggestions include a rental housing grant program. The City of Kelowna has been successful in offering developers of purpose-built rental housing the opportunity to obtain grant funding as a measure to offset Development Cost Charges.
- Review the Zoning Bylaw and consider amendments that support purpose-built rental unit development.

- Exempt rental floorspace from maximum density allowances, in cases where maximum density has been achieved according to the Zoning Bylaw, subject to servicing, parking, traffic, urban design, building height/massing review.
- Encourage the development of building designs with a variety of innovative unit types (studios, lock-off suites, micro suites, accessible/special needs suites) and tenures, subject to detailed design review.
- Create and manage a database of available rentals and apartment listings available for contact by phone in a regional and municipal directory. These should include houses, apartments, suites, and shared accommodation. Interested applicants can fill out a “Rental Seeker Form” and a waitlist can also serve as a metric for how many people are in need of rental housing, and what type of rental housing they are seeking.

3.3.2 Facilitate workforce housing

Much of the apartment vacancy is likely influenced by short term seasonal work, particularly with logging activities and other forestry and mining-related work. Healthcare professionals also affect the fluctuation of the rental housing. The community could potentially enhance the supply of workforce housing in the community by either working with some of the largest employers in the region or by creating a workforce housing fund to assist in the development of workforce rental housing solutions in the community. The top employers identified by this study include:

- West Fraser Timber Company
- Quesnel School District
- Northern Health
- City of Quesnel
- Wal-Mart
- Dunkley Lumber
- Taseko Mines
- Clauson Logging
- Save-on Foods
- C&C Wood Products
- Safeway

Suggested Actions:

- Work with large employers on the provision of workforce housing in the municipality and region. Use municipal incentives, density bonus, DCC discounts, reduced parking requirements, and other programs to facilitate workforce housing.
- Explore the creation of a Workforce Housing Fund in collaboration with large employers in the region, including those that employ seasonal employees.
- The fund could potentially be created similarly to Whistler’s Housing Service Charge Fund that is levied on projects that increase the number of employees to fund affordable housing (for sale as well as rental units) for the community’s permanent tourism employees. In addition, housing agreements could keep these units affordable for the life of the building.

3.4 Objective 4: Enhance Housing Affordability

The community will be well served by working with developers to facilitate a diverse mix of affordable owner-occupied dwelling units going forward. For instance, reducing lot sizes has been shown to reduce the cost of residential products.

Affordable housing sites are recommended to be chosen based on specific criteria, such as:

- Proximity to amenities that significantly affect quality of life for income-constrained families and individuals (i.e. amenities such as transit, grocery stores, schools, daycare services, etc.);
- Research and context-sensitive understanding of owner and tenant preferences;
- Meaningful consultation with community stakeholders; and,
- The most up-to-date industry practices and standards.

Over a longer term, initiatives that enhance the local economy and attract a range of high-quality jobs and educational opportunities to the region can help to improve ability to pay. However, over the next ten years (short-term) the communities will benefit by leveraging regulatory capacity and encouraging innovation in the housing market. The region and the municipality can play a leadership role in facilitating affordable home ownership and rental housing solutions in the community by updating its land use policies, bylaws, zoning, and development processes.

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 4.1: <i>Promote the sustainable development of more affordable housing units</i>	Medium	CRD and City Development Services and developers	Number of affordable housing units created, sales prices, and number of mobile homes
Strategy 4.2: <i>Examine the creation of an Affordable Housing Reserve Fund</i>	Low	CRD and City Development Services, non-profits and developers	Number of units funded and number of units created

3.4.1 Strategy 1: Promote the sustainable development of more affordable housing units

Suggested Actions:

- Allow higher housing densities through secondary suites.
- Facilitate the development of duplexes, triplexes, fourplexes, and wood frame apartment buildings, which are more affordable compared to other dwelling types.

- Enhance the supply of manufactured homes, i.e. the development of MHP-1 zoned lands which contains no vacant parcels in the municipality. This would be the most efficient short-term way of enhancing the affordable housing supply in the community.
- The municipality should regulate short-term rentals (those less than 30 days). This could improve the availability of smaller units to local residents.
- Consider a land bank (i.e., a large body of land held by a public or private organization for future development or disposal).
- Explore applying tax exemptions to include all new ownership units for North Cariboo and City residents. The consultant recommends setting the threshold at or below area median income; 75 percent for first 5 years, reducing to 50 percent for second 5 years.
- Rent bank for specific populations in need (in the case of North Cariboo and Quesnel, low income and senior populations face the most difficulty).
- Encourage the development of smaller units in line with the projected increase in one-person and two-person households in the community. This is expected to create demand for studio, one- and two-bedroom units going forward. The community could facilitate this by developing guidelines for purpose-built smaller sized rental units as well as secondary suites, laneway homes, and accessory apartments in ancillary structures within existing large homes.
- Regular housing assessments will enable more data-driven decision making and help determine the level of success for affordable housing strategies. The consultant recommends using the same indicators across each neighborhood to compare which neighborhoods are achieving the highest affordability. Many community partners are already collecting useful data, particularly public health professionals associated with Northern Health. With community partners, develop and apply affordable housing metrics, indicators and targets at the neighborhood-level and record changes over time. Some examples of indicators include:
 - Number of affordable housing units
 - Percentage of housing types in the neighborhood
 - Housing affordability (households spending 30% or more of household income on rent or mortgage payments)
- Encourage factory-built/prefabrication housing policy if the economy of scale still produces savings for the final residential product.
- Assess Development Cost Charges from parcel size to gross floor area basis to incentivize smaller size units more compact developments.
- Set targets for affordable housing units. Based on current rates of owners and tenants paying 30 percent or more on shelter, the following are suggested targets:
 - North Cariboo: 402 for ownership by 2031 (9 percent) is roughly 27 per year, 231 for tenants by 2031 (32 percent) is roughly 16 per year.
 - City of Quesnel: 155 for ownership by 2031 (5 percent) is roughly 10 per year, 558 for tenants by 2031 (41 percent) is roughly 38 per year.

3.4.2 Strategy 2: Examine the creation of an Affordable Housing Reserve Fund

Detail: The community could potentially use a housing reserve fund to promote developments that produce more affordable housing products in the area. In addition, housing agreements could ensure that these units remain affordable even after resale. The Affordable Housing Reserve Fund could provide the much-needed seed-funding to initiate the development of affordable units in the municipality, in partnership with Federal and Provincial governments.

Suggested Actions:

- Fund Affordable Housing Reserve Fund with the proceeds from the sale of CRD- or City-owned lands and any other acceptable funding mechanism. These could include philanthropic contributions, contributions from large employers, or density bonuses.
- Monitor the growth of the Affordable Housing Reserve Fund and reviews its use and performance in facilitating affordable housing every year.
- Attract development partners that will leverage the Affordable Housing Reserve Fund contributions to facilitate rental housing, seed funding to initiate developments, and purchase land for affordable housing development.

3.5 Objective 5: Maintain the quality of current housing stock

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 5.1: <i>Maintain the quality of current housing stock</i>	High	CRD and City Development Services, CRD Regional Economic & Community Development and City Economic Development, landlords and homeowners	Number of units renovated and amount of funding

3.5.1 Strategy 1: Maintain the quality of current housing stock

Detail: A large proportion of the current housing stock is very old and in need of major repairs. These housing units if properly maintained could provide an ample supply of older but still functional houses. Thus, the community will be well served by helping low-income households repair and weatherize their homes to keep them safe and reduce utility bills (high utility costs came up as a part of the discussion with community partners that work with low-income households; a significant number of low income households are reported to be sometimes one high utility bill away from becoming homeless). This may require subsidies or low-interest loans.

Suggested Actions:

- Work with Economic Development to attract remodeling businesses to Quesnel and greater Quesnel area. Remodeling existing housing stock often conserves more resources than

new construction and helps support the municipality's sustainability vision and goals in the Integrated Community Sustainability Plan.

- Help homeowners maintain older housing stock. It is a relatively inexpensive way to provide safe and affordable housing, especially in communities that have an abundant supply of inexpensive but deteriorating housing stock.
- Monitor the condition of housing annually, with special attention to housing stock built prior to 1980.
- Work with landlords that provide affordable rental housing to access funds for maintaining their properties.
- Solicit feedback from residents for identifying properties that need major repairs or require demolition.

3.6 Objective 6: Facilitate new development on selected parcels

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 6.1: <i>Facilitate new development on selected parcels</i>	High	CRD and City Development Services, property owners and home builders	Number of market-rate and non-market rate housing units created, sales prices and rental rates, affordability, and vacancy rates

Detail: The community will be well served by facilitating new development on vacant and under-utilized parcels in the community. Survey findings suggest that newcomers to the community face significant difficulty in finding appropriately priced housing in the community. Improved utilization of land will increase the housing options available to newcomers to the community and also increase the tax base of the community.

Suggested Actions:

- The parcels identified in the Section 7 can be developed as per the following priority:
 - Lowe St./Carson Field: Could potentially be developed with a mixture of dwelling types (single-family detached houses, townhouses, secondary units, apartments above commercial ground floors, etc.) in order to create the desirable housing stock for market-rate housing affordable housing types.
 - Quesnel Junior High School: Could potentially be rezoned at least in part to accommodate multiple-family development similar to other planned developments in the downtown area. Opportunities exist to also integrate various dwelling types of market and nonmarket housing in addition to including service providers and businesses on site.
 - Site next to City Hall: Potentially ideal for a medium- to high-density residential development.
 - 251 English Rd: Potentially ideal for a medium-density residential development. The parcels are mostly surrounded by C-2 zoned lands and medium-density

development would complement their proximity to commercial lands while balancing the RS-2 zoned lands to the south.

- Cariboo Field: Could potentially be an opportunity for market-rate and affordable housing in order to mix income levels on the west side of Quesnel.
- Dragon Lake Site: Could potentially support medium-density housing in order to make affordable housing options available to eastern Quesnel and North Cariboo residents in the area. If the property was rezoned, there are market and nonmarket housing opportunities for assisted living to meet the needs of an aging population in the City of Quesnel, and particularly in the nearby North Cariboo community
- Use municipal entitlements and incentives to direct growth within appropriate locations in the region and municipality.
- Work with developers on reducing their front-end costs, especially in developments that are in line with the HAP.
- Create capital funding options for achieving affordable housing on the selected parcels.
- Advocate to other levels of government for specific measures to address funding gaps for low-to-moderate income housing (e.g., CMHC seed funding, capital funding, subsidies and tax incentives or other measures).
- Develop an “Infill Challenge” to generate more interest in Quesnel
 - For example, the City of Kelowna led an innovative competition to identify new designs for context-sensitive infill housing in select parts of Kelowna’s Urban Core Area. The winning entries were grants development process incentives as a reward. A new land use designation was created as a result of the competition’s findings.
- Monitor progress quarterly. Reassess this strategy at least every five years.

3.7 Objective 7: Prepare for anticipated growth in population aged 65 years and over

Strategy	Priority	Potential Strategic Partners	Success Measures
Strategy 6.1: <i>Ensure adequate accessibility in housing for seniors</i>	High	CRD Regional Economic & Community Development and City Economic Development, CRD and City Development Services, homebuilders and remodeling businesses	Number of homes with at least five main universal design features, rates of seniors aging-in-place

3.7.1 Strategy 1: Ensure adequate accessibility in housing for seniors

Detail: North Cariboo and City will advance by ensuring that senior-oriented housing provides adequate support for seniors with mobility issues or any other disabilities. Aging-in-place in one's current home is often ranked the first choice among seniors and soon-to-be seniors (i.e. empty-nesters, ages 45-64), the second choice often being able at least to age-in-place within the seniors' current neighborhood. In order to make this possible for residents, new housing stock should be held to a standard of providing accessible features for barrier-free living. The retrofit of existing stock is also important for providing safe housing for older adults.

Suggested Actions:

- Incentivize universal design standards in newer residential products. The goal of the universal design movement is to make the indoor and outdoor home environment more accessible to people of all ages and abilities. There are numerous design features that universal design guidelines recommend, and the consultant suggests to initially focus on the five main features that make homes accessible to those with impaired mobility and who have difficulty grabbing and turning knobs:
 - No-step entries and single-floor living, which eliminate the need to navigate stairs;
 - Switches and outlets reachable at any height;
 - Extra-wide hallways and doors to accommodate those in wheelchairs; and,
 - Lever-style door and faucet handles.
- Allow secondary suites, mother-in-law suites, and a broader variety of dwelling types in existing neighbourhoods to allow residents to stay within their community throughout the life cycle. For example, housing types that accommodate the life cycle include housing appropriate for the single individual, to young family, to middle-age, to empty nesters, to retirees.
- Continue promoting medium-density, ground-oriented housing and set standards for accessible, barrier-free housing. Consider the following when evaluating targets:
 - In North Cariboo, the number of new seniors-maintained households (65 years and over) is by 2031, or roughly 47 per year.
 - In the municipality, the number of new seniors-maintained households is 436 by 2031, or roughly 29 per year.
- Attract remodeling businesses to conduct business. Many older adults will remain in the homes they currently occupy. Retrofitting older housing with accessibility features could be a growth market for the remodeling industry.

4 Housing

This section examines the housing supply of the City of Quesnel. The analysis primarily focuses on the occupied private dwellings in the municipality as it provides a more accurate measure of the housing needs of the community; i.e. housing stock which is occupied by permanent residents and does not include vacant dwellings or dwellings occupied by temporary residents.

Table 12 shows the slight decrease in the number and share of vacant dwellings or dwellings occupied by temporary residents from 7 percent of total occupied dwellings in 2011 to 6 percent of total dwellings in 2016. These numbers are a representation of a decline in vacant homes of households that have moved away from the municipality or a decrease in vacation homes in the community.

Quesnel	2006	2011	2016
Total private dwellings	4,443	4,627	5,690
Private dwellings occupied by usual residents	3,917	4,328	5,351
Vacant dwellings or dwellings occupied by temporary residents (as a % of total private dwellings)	526 (13%)	299 (7%)	339 (6%)

Table 12: Quesnel's total private dwellings versus private dwellings occupied by usual residents

Source: Urbanics Consultants and Census 2011 and 2016 (rounded)

Note: 2011 NHS long-form was optional and may represent a limitation in providing the most accurate census data for 2011

4.1 Housing stock trends

The growth in the number of occupied private dwellings in Quesnel and North Cariboo has followed the population growth cycles during 1991-2016. North Cariboo and the City had respectively 2,120 and 3,035 occupied dwelling units in 1991, which increased to 5,650 and 4,030 units in ten years, but saw a slight decrease in 2006 (although, there is a possibility it is due to data collection errors). The municipality saw 4,405 units by 2016 and had a 1.14 percent in units between 1991 to 2016. During the same period, the number of occupied-dwelling units in North Cariboo grew from 2,120 in 1991 to 5,645 in 2016 (with a similar contraction in total numbers from 2006 to 2011) with an annual rate of 4 percent and the Province of British Columbia grew from 1,243,890 in 1991 to 1,881,970 million in 2016 (at an annual rate of 1.67 percent).

Thus, the number of occupied private dwellings in North Cariboo and the City increased during 1991-2016. This can be further disaggregated into changes in occupied dwelling units by type:

- **Single-family dwellings:**

North Cariboo: The share of single-family units has decreased from 84 percent in 1991 to 80 percent of the total occupied housing stock in 2016. North Cariboo added a total of 2,765 units at the rate of over 110 units per year during 1991 - 2016.

Quesnel: The share of single-family units has remained the same from 61 percent in 1991 to 61 percent of the total occupied housing stock in 2016. The municipality added a total of 815 units at the rate of over 54 units per year during 1991 - 2016.
- **Semi-detached, row house and duplex:**

North Cariboo: The share of semi-detached has remained flat at 1 percent while row house and duplex houses have increased since 2001. The share of duplexes made modest gains from less than 1 percent to 2 percent during 2001 - 2016.

- Quesnel:** The share of semi-detached housing has decreased from 4 percent to 2 percent while row house and duplex houses have remained relatively flat since 1991.
- Apartments, 5 or more storeys:
North Cariboo: There were no apartment buildings with 5 or more storeys in the subregion.
Quesnel: There were no apartment buildings with 5 or more storeys in the municipality.
 - Apartments, less than 5 storeys:
North Cariboo: The share of apartments less than 5 storeys has remained flat at 1 percent between 2001 to 2016. There are 20 more occupied apartment units in buildings with less than 5 storeys in 2016 as compared to 2001.
Quesnel: The share of apartments less than 5 storeys has increased from 20 percent to 21 percent between 1991 to 2016. There are 310 more occupied apartment units in buildings with less than 5 storeys in 2016 as compared to 1991.
 - Movable dwellings:
North Cariboo: The share of movable dwellings has remained flat at 15 percent between 1991 to 2016. There are 565 more occupied movable in 2016 as compared to 1991.
Quesnel: The share of movable dwellings has decreased from 3 percent in 1991 to 5 percent in 2016. There are 115 more occupied movable dwellings in 2016 as compared to 1991.

The historical trend related to the predominance of single-family dwellings is expected to continue over the projection period. However, North Cariboo to some extent and more so the municipality will be well-served by encouraging the continued growth of the number of wood frame apartment buildings, which generally provides an affordable product type in communities of Quesnel's size. Interviews with stakeholders from both North Cariboo and the City of Quesnel have alerted the consultant to the need for low-maintenance and apartment- or townhouse-style dwellings for the elderly population, which is quickly increasing as a share of the total population.

Quesnel: Housing Needs Assessment, Gap Analysis and Action Plan

Quesnel Housing Stock	1991	1996	2001	2006	2011	2016
Single-detached house	1,865 (61%)	1,950 (59%)	2,825 (70%)	2,670 (68%)	2,660 (62%)	2,680 (61%)
Apartment; building that has five or more storeys	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Semi-detached house	115 (4%)	130 (4%)	90 (2%)	65 (2%)	145 (3%)	105 (2%)
Row house	170 (6%)	220 (7%)	210 (5%)	185 (5%)	210 (5%)	245 (6%)
Apartment; duplex	150 (5%)	180 (5%)	125 (3%)	120 (3%)	130 (3%)	195 (4%)
Apartment; building that has fewer than five storeys	615 (20%)	795 (24%)	650 (16%)	725 (19%)	850 (20%)	925 (21%)
Other single attached house	25 (1%)	10 (0%)	10 (0%)	40 (1%)	N/A	45 (1%)
Movable	95 (3%)	30 (1%)	120 (3%)	105 (3%)	N/A	210 (5%)
Other dwelling	N/A	N/A	N/A	N/A	330 (8%)	N/A
Total housing stock	3,035	3,315	4,030	3,910	4,325	4,405

Table 13: Quesnel Number of Occupied Dwellings by Type - 1991-2016

Sources: Urbanics Consultants Ltd. and Statistics Canada - Census 1991 – 2016

Note: 2011 NHS long-form was optional and may represent a limitation in providing the most accurate census data for 2011

North Cariboo Housing Stock	1991	1996	2001	2006	2011	2016
Single-detached house	1,775 (84%)	2,610 (70%)	3,880 (76%)	4,435 (89%)	4,025 (88%)	4,540 (80%)
Apartment; building that has five or more storeys	0	0	0	0	0	0
Semi-detached house	N/A	N/A	45 (1%)	140 (3%)	60 (4%)	50 (1%)
Row house	N/A	N/A	15 (0%)	10 (0%)	15 (0%)	20 (0%)
Apartment; duplex	N/A	N/A	45 (1%)	50 (1%)	125 (6%)	105 (2%)
Apartment; building that has fewer than five storeys	N/A	N/A	30 (1%)	45 (0%)	30 (6%)	50 (1%)
Other single attached house	N/A	N/A	0 (0%)	0 (0%)	N/A	10 (0%)
Movable	310 (15%)	310 (15%)	605 (12%)	360 (7%)	N/A	875 (15%)
Other dwelling	35 (15%)	35 (2%)	N/A	N/A	330 (17%)	N/A
Total housing stock	2,120	3,715	5,110	5,005	4,585	5,650

Table 14: North Cariboo Number of Occupied Dwellings by Type - 1991-2016

Sources: Urbanics Consultants Ltd. and Statistics Canada - Census 1991 – 2016

Note: 2011 NHS long-form was optional and may represent a limitation in providing the most accurate census data for 2011

The following information was retrieved from Canada Mortgage and Housing Corporation for the City of Quesnel as of the first quarter of 2019:

- Dwellings Under Construction: 2 single-detached family

- Housing completions: 74
- Number of private apartment units (as of 10/18/2018):
 - bachelor: 13
 - 1 bedroom: 209
 - 2 bedroom: 327
 - 3 or more bedrooms: 17
- Private apartment average rents:
 - bachelor: \$521
 - 1 bedroom: \$616
 - 2 bedroom: \$687
 - 3 or more bedrooms: \$996
- Private apartment estimate of percentage change of average rent:
 - bachelor: 15 percent
 - 1 bedroom: 4 percent
 - 2 bedroom: 3 percent
 - 3 or more bedrooms: ~0 percent

The statistics show 2 bedroom as the dominant apartment type, followed by 1 bedrooms. The percentage change of average rent indicates a demand for 1 bedroom and particularly bachelor dwellings. Smaller-sized units appear more popular, which is in line with other data such as smaller household sizes and a significant older population cohort.

Mobility of Primary Household Maintainer (Moved within 5 Years)	Owners	Renters
15 to 24 years	30 (1%)	195 (13%)
25 to 34 years	295 (9%)	320 (21%)
35 to 44 years	375 (12%)	335 (22%)
45 to 54 years	675 (21%)	190 (12%)
55 to 64 years	645 (20%)	230 (15%)
65 to 74 years	775 (24%)	70 (5%)
75 years and over	460 (14%)	200 (13%)

Table 15: City of Quesnel Mobility of Primary Household Maintainer
Sources: Urbanics Consultants Ltd. and Statistics Canada - Census 2016

The table above shows the mobility of primary household maintainers by age cohort in the City of Quesnel. Owners are most likely to move after age 45 with the sharpest increase between

age 65 to 74. Renters, however, are most likely to move between the ages of 25 to 44 and least likely to move between the ages of 65 to 74. Owners are often in a better financial position at a later stage than their renter counterparts and allow for more choice in their retirement home.

The Nazko First Nation was the only First Nations group to report their recent plans for residential development. The First Nation currently has 55 units on reserve, 47 units of which are currently active, and 8 of which are in the construction process with a completion date by the end of summer 2019. There are currently 400 members in total; approximately 250 live on reserve, 150 members live within Quesnel and North Cariboo, and a small number living outside of the Province. These are estimates and membership data is confidential, exclusive only to band members, Chief and Council.

4.2 Housing permits

The population and household growth trends suggest that moderate development activity is expected in the municipality. Most of the development activity in the community is likely to be geared towards maintaining and replacing the current housing stock. CMHC Starts and data from the City of Quesnel for the period 2006 to 2018 also suggest similar trends for the community.

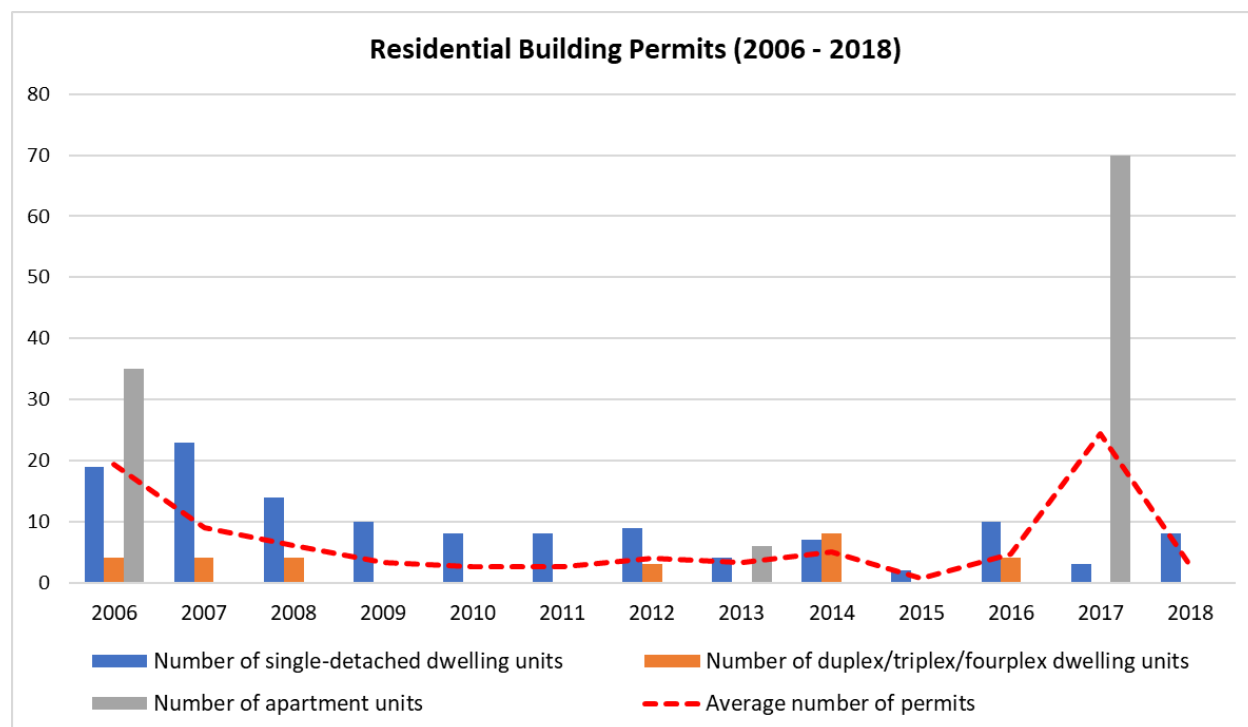


Figure 6: Housing permits – Quesnel, 2006-2018

Source: Urbanics Consultants Ltd. and CMHC Starts and City of Quesnel

Figure 6 suggests that on an average, 20 units per year have been added during the period 2006-2018. This includes 10 single-family, 2 duplex/triplex/fourplex units and 9 apartment units per year during 2006 - 2018. However, it is evident that much of the development activity since 2015 has significantly decreased and focused on single-detached and apartments. During 2015 - 2018

roughly 97 permits were approved of which 23 were for single family units, 4 for duplex/triplex/fourplex dwelling units and 70 were for apartment units. This is somewhat in line with the market demand for more affordable housing, where apartment units would be most suitable. Moreover, the municipality is expected to display an elevated demand for more affordable single-level housing types over the study period due to an aging population.

The following housing projects are in the process of construction or have been completed in the last year:

- Complete:
 - Kikihnaw (424 McLean, Quesnel) is a family apartment building located in downtown Quesnel. A total of 38 units includes 11 suites that are wheelchair accessible. It includes studios, one-bedrooms and two-bedrooms. There is a common room for gatherings and 24-hour monitoring.
 - Lions Housing (255 McNaughtan, Quesnel) a non-profit providing housing programs for those over 55 years old, typically for those who are still independent. The housing made available through this Society is called Silver Manor and is managed by Dakelh and Community Housing Society. A total of 30 senior-oriented units are made possible through this organization.
- In process:
 - Elliott Street Supportive Housing (355 Elliot St) is estimated to be complete summer 2020. A total of 32 units of supportive housing will be available.
 - Dakehl Housing (beside Milestone Manor on Front Street) is a clean and sobering house with a planned total of 27 units. The development should be ready to break ground fall 2019.
 - Amata Transition House (location N/A) is a second stage housing for women and children of violence with a planned total of roughly 12 units and a total of 139 new units over the course of 3 years. Funding has been approved for the project and the development is in the process of obtaining the land.

More information of completed nonmarket housing developments is in Nonmarket Housing (section 4).

4.3 Housing tenure

The City of Quesnel had a homeownership rate of 63 percent in 2016. It had 4,390 occupied housing units in 2016 (Census 2016) out of which 2,780 were owner-occupied and 1,610 were renter occupied. Overall, the municipality has displayed an increase in homeownership rate from 56 percent in 1991 to 63 percent in 2016. The peak of ownership rates was in 2006 (70 percent); the drop in ownership is likely attributable to the 2008 economic recession that significantly affected the local economy.

Table 16 provides the homeownership rate for the City of Quesnel and compares it to North Cariboo and the Province of British Columbia during the years 1991 to 2016. The municipality displays a significantly lower homeownership rate in all the census years as compared to North Cariboo and a slightly lower homeownership rate as compared to the Province in most census

years. This is likely driven by the differences in the property values and household incomes across these geographical areas. The municipality is more urban as compared to North Cariboo and it has higher property values whereas it is less urban than Prince George, the nearest urban center of the Region.

Tenure	1991	1996	2001	2006	2011	2016
Quesnel						
Owned	1,720	1,770	2,545	2,755	2,790	2,780
Rented	1,325	1,555	1,408	1,160	1,535	1,610
Band housing	0	0	0	0	0	0
Total occupied dwellings	3,045	3,325	3,953	3,915	4,325	4,390
Ownership rate	56%	53%	64%	70%	65%	63%
North Cariboo						
Owned	5,080	5,010	4,450	3,925	4,690	7,650
Rented	735	785	745	685	650	2,320
Band housing	0	0	0	0	0	0
Total occupied dwellings	5,815	5,795	5,195	4,610	5,340	9,970
Ownership rate	87%	86%	86%	85%	88%	77%
BC						
Owned	793,985	928,990	1,017,485	1,145,050	1,234,710	1,279,020
Rented	446,910	491,540	512,360	493,995	524,995	599,360
Band housing	3,000	4,105	4,485	4,100	4,920	3,590
Total occupied dwellings	1,243,895	1,424,635	1,534,330	1,643,145	1,764,625	1,881,970
Ownership rate	64%	65%	66%	70%	70%	72%

Table 16: Housing Tenure 1991-2016, Quesnel (Census Agglomeration)

Source: Urbanics Consultants, Census

Figure 7 provides a graphical representation of the household tenure by the age of household maintainer in 2016 for the City of Quesnel. The figure shows a strong lifecycle pattern to home ownership with significant increase in home ownership rates with age, from households with primary maintainer in the 25 to 34 years age group (57 percent) to households with primary maintainers in the 65 to 74 years age group (80 percent) and declines in later years.

In contrast households with primary maintainers under the age of 25 years are primarily renters (90 percent), which declines to its lowest level for households with primary maintainers in the 65 to 74 years age group (19 percent) before increasing for households with primary maintainers in the 75 years and over (3%).

Further, with the increase in the senior population the municipality is likely to display a demand for both accessible owner-occupied as well as rental units. In addition, there will be added demand for rental units from young individuals and families that locate in the municipality during the study 2016-2026 period of the assessment.

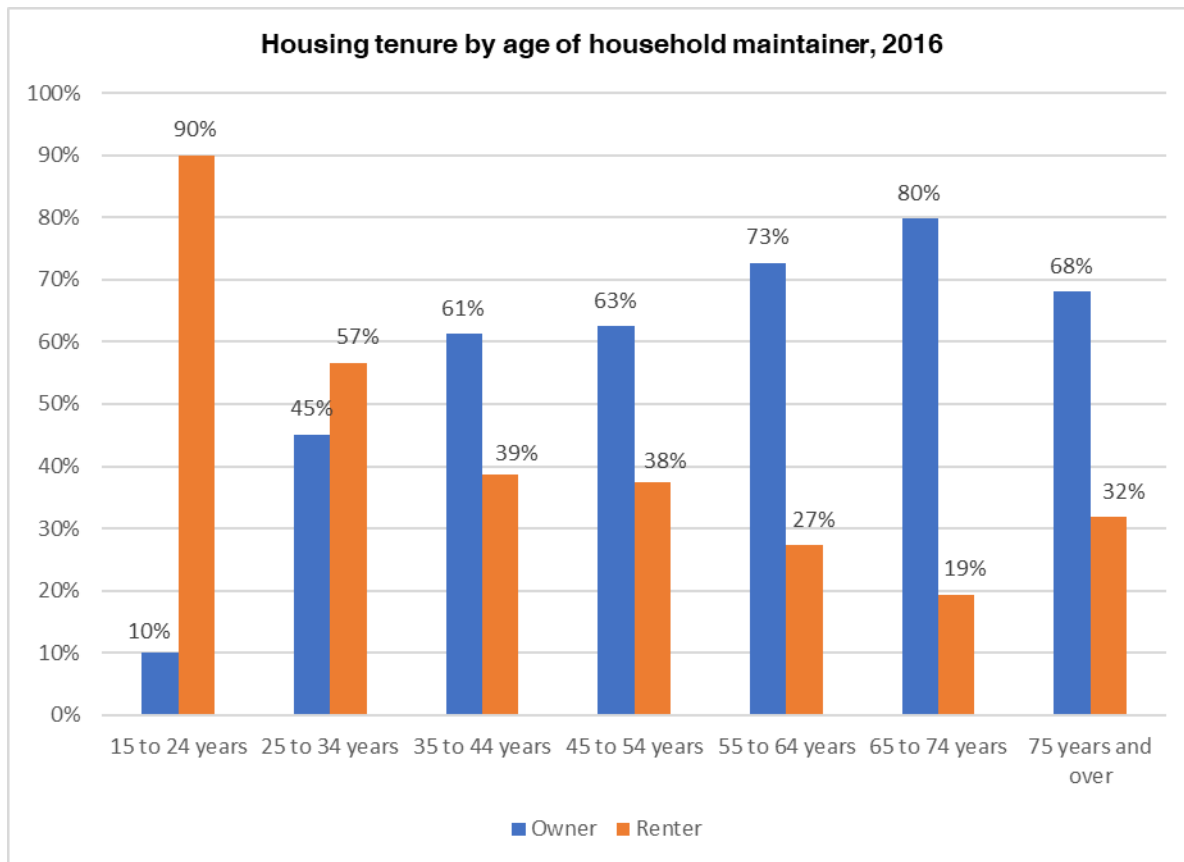


Figure 7: Housing tenure by age of household maintainer, 2016

Source: Urbanics Consultants and 2016 Census

4.4 Non-market housing

Non-market housing is typically subsidized by some level of government and not subject to the same market forces that affect the price of market housing, which is increasingly unaffordable to low- to middle-income households across Canada and beyond. BC Housing periodically reviews and updates the types of non-market housing terms. The following terms are based on BC Housing terminology. Typical inventory of the non-market housing in a community includes:

- **Shelter:** These include year-round shelters and emergency weather response shelters. Short-stay housing of 30 days or less. Emergency shelters provide single or shared bedrooms or dorm-type sleeping arrangements with varying levels of support to individuals.
- **Transition houses:** Temporary housing for women and children fleeing violence. Transition houses provide housing, food, crisis intervention and referrals. All provincially-funded transition houses have around-the-clock staff coverage. Typically, stays do not exceed 30 days.
- **Safe homes:** Provides temporary shelter and services (often for women and their children) who are facing housing crisis issues or fleeing domestic violence. This may include private homes, hotel units or rental apartments. Stays do not usually exceed five days. In addition to food and shelter, it also provides support services such as advocacy, information and referral, counselling, and transportation to appointments.
- **Second-stage Housing:** Provides housing for women and children fleeing violence who have completed a stay in a transition house or safe home. Typically, stays last up to 18 months.
- **Transitional housing:** Includes the provision of on- or off-site support services to help residents move towards independence and self-sufficiency. This type of housing provided for a minimum of 30 days that can last up to two or three years.
- **Below-market rental:** Below-market rental housing is housing with rents equal to, or lower than, average rates in private-market rental housing.
- **Co-operative housing:** Co-operative housing is a type of development where the residents have a share in the corporation (co-operative) that owns/manages the development.
- **Supportive Housing:** Provides ongoing assistance so residents can live independently. It's available for people who are homeless or at risk-of-homelessness and who may have barriers to housing such as mental illness or substance use. It can be housing for seniors and others who require services such as meals, housekeeping, 24-hour response system and social and recreational activities. It does not include personal assistance services such as bathing, dressing, or medication assistance.
- **Seniors housing:** Affordable housing geared toward individuals aged 55 or older or a couple where at least one person is age 55 or older. Seniors live independently and typically live in self-contained apartments that provide accessible, barrier-free design features.
- **Assisted Living:** Housing that includes hospitality services (e.g. meals, housekeeping, social and recreational activities) and one or two personal assistance services, such as regular assistance with activities of daily living, medication services or psychosocial supports (referred to as prescribed services). This housing is subject to registration by the Assisted Living Registrar and includes self-contained apartments for seniors or people with disabilities

who need some support services to continue living independently, but do not need 24-hour facility care; or housing in which residents receive services related to mental health and substance use issues.

The municipality has a limited supply of non-market housing compared to what may be appropriate for its population. It includes:

- **Quesnel Shelter and Support Society (shelter, transitional housing and supportive housing):** The Society manages a shelter, transitional housing and supportive (Supportive Recovery beds / contract through Northern health) housing through Seasons House. The Society is a non-profit and provides minimal-barrier housing and support services to those in the City of Quesnel that are considered low-income and face barriers to housing. There are 15 emergency shelter beds and 8 transitional housing units. Once construction of a facility is complete on Elliott Street, the Society will have has 28 units that are considered supportive housing and 4 units that are considered supportive recovery (i.e., Supportive Recovery will transition to the new facility on Elliott Street and there may be 6-8 beds there). The Society also manages a BC Housing subsidy program intended for up to 20 households for subsidies of \$450 each, although the Society is currently able to distribute the subsidies to 30 to 40 households at one time. The number of people seeking but unable to obtain emergency grants is documented to be 39 (according to a representative from Seasons House this number could be triple as Seasons House does not typically record the number of people unable to obtain the grant when they call). Winter present challenges for low income households to remain housed as utilities are higher. Winter 2018-2019 subsidies numbered 12 and one-time emergency subsidies to keep people housed from March 2018 to March 2019 numbered 36. According to Seasons House staff, the need for shelter, transitional housing and particularly supportive housing is growing.
- **Dakelh & Quesnel Community Housing Society** (below-market rentals): Total 138 units
 - 69 multi-family units
 - 69 single-detached family

The units can also be divided among the programs that fund them:

 - 32 housing units under the Urban Native Housing Program;
 - 31 housing units under BC Housing Affordable Housings Programs;
 - 37 housing units under the Rural and Native Housing Program; and
 - 38 unit Affordable Housing in downtown Quesnel.
- **Youth housing:** There are two group home units for youth with two beds each within the City of Quesnel. Many youths in these homes face significant physical and mental challenges and barriers as they transition into adulthood.
- **Quesnel Lions Housing Society** (seniors housing): The Society is a non-profit providing housing programs for those over 55 years old, typically for those who are still independent. The housing made available through this Society is called Silver Manor and is managed by Dakelh and Community Housing Society.
 - **Silver Manor:** There are currently 30 one-bedroom units that are managed by Dakelh & Quesnel Community Housing Society. Two

rooms are full handicap accessible. The rents average \$600 per unit. The waiting list is currently 10 individuals.

- **Quesnel Senior Housing Society** (assisted living):
 - **Maeford Place:** The residences at Maeford Place are operated under contract with the Northern Health Authority. 35 units are subsidized with the North Health Authority and 1 apartment is private pay. Each of the 36 apartments is over 500 square feet; each includes a full kitchen, bedroom and bathroom. The common amenities are dining and lounge areas, a BBQ patio and a spa tub. Residents are assessed for eligibility by the Northern Health Authority and referred to Vantage Living to arrange move in. The waitlist is 10 for the private pay unit.
- **Northern Health Authority** (complex care): NHA's Dunrovin Park Lodge has 117 publicly subsidized beds, all single occupancy except for 3 double rooms. Residents pay 80 percent of their after-tax income, with the minimum and maximum rates set by the Ministry of Health Services. The rate an individual pay covers the standard benefits provided by all long-term care homes.

Interviews with non-market housing providers indicate there is a significant need for youth housing, particularly for homeless or at-risk Indigenous youth. According to the Government British Columbia, children and youth are those persons who are age 19 or younger, have not reached legal adulthood and remain under the care of an adult; some definitions of youth can vary among social service providers and may be applied to individuals 16 to 24 years old. Community stakeholders indicated youth are vulnerable to homelessness when they cannot or will not live with their guardians. Some examples to emulate are suggested, such as Reconnect Youth Village (contracted by Ministry of Children and Families) through the Prince George Native Friendship Centre.

Some other comments made about youth housing include homeless or at-risk youth not being engaged in social services available to them. The proportion of youth most at-risk include Indigenous individuals, and there is reported to be a need for a culturally sensitive housing option that can make youth, that otherwise feel distrustful, trust the service providers and services being offered to them. To begin this process, it is suggested Indigenous elders be integral to the process of developing appropriate youth housing for homeless or at-risk Indigenous youth.

Thus, the municipality currently has about 345 non-market housing units (roughly 7 percent of the total occupied housing). North Cariboo relies on the City of Quesnel to provide non-market housing for its aging population and will likely continue to do so moving forward given the strategic location and density of services/amenities available within the City of Quesnel. As will be discussed in greater detail in this report, affordable units to the residents that reside in Quesnel and North Cariboo are limited. It is of particular concern that there are limited affordable units that are appropriate for seniors or older adults that want to age-in-place. The expected increase in the share of the population aged 65 years and over in North Cariboo and Quesnel will likely increase the need for more seniors housing as well as Supportive Living. Section eight details the projection for housing needs by age group of household maintainer.

4.5 Housing suitability and adequacy

"Housing suitability refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is whether the dwelling has enough bedrooms for the size and composition of the household. A household is deemed to be living in suitable accommodations if its dwelling has enough bedrooms as calculated using the NOS. (Census 2016)"

Most of the houses, roughly 97 percent of the total houses, in the City of Quesnel had appropriate number of bedrooms for the size and make-up of resident households in 2016. About 3 percent of the occupied dwellings were not suitable for households (Table 17). This is similar to housing suitability in North Cariboo and less than the Province of British Columbia.

Occupied private dwelling characteristics	Quesnel	North Cariboo	BC
Number of private households by housing suitability			
Suitable	4,275 (97%)	5,280 (97%)	1,781,905 (95%)
Not suitable	120 (3%)	150 (3%)	100,060 (5%)
Occupied of private households by condition of dwelling			
Only regular maintenance or minor repairs needed	4,020 (91%)	4,855 (89%)	1,763,105 (94%)
Major repairs needed	370 (9%)	575 (11%)	118,970 (6%)

Table 17: Housing suitability
Source: Urbanics Consultants Ltd. and Census 2016

The condition of dwelling (2016 Census) includes the following categories:

- *The "regular maintenance needed" category includes only regular maintenance such as painting or furnace cleaning is required.*
- *The "minor repairs needed" category includes repairs such as dwellings with missing or loose floor tiles, bricks or shingles or defective steps, railing or siding.*
- *The "major repairs needed" category includes repairs such as dwellings with defective plumbing or electrical wiring, and dwellings needing structural repairs to walls, floors or ceilings.*

Table 17 suggests that roughly 91 percent of the housing stock only needs regular maintenance or minor repairs, while roughly 9 percent of the housing stock in the municipality needs major repairs. This is slightly lower than North Cariboo (89%) and more than the Province (94%). Thus,

the municipality and North Cariboo would benefit from policies that support major repairs to its housing stock. Rental units are more likely to require major repairs as compared to single-family units as these households have secure tenure and are often wealthier and have a greater incentive to maintain the value of their homes.

Occupied private dwelling characteristics	Quesnel	North Cariboo	BC
1960 or before	690 (16%)	535 (10%)	267,560 (14%)
1961 to 1980	2,060 (47%)	2,525 (47%)	559,485 (30%)
1981 to 1990	625 (14%)	845 (16%)	289,565 (15%)
1991 to 2000	720 (16%)	875 (16%)	331,865 (18%)
2001 to 2005	95 (2%)	180 (3%)	125,335 (7%)
2006 to 2010	140 (3%)	285 (5%)	171,945 (9%)
2011 to 2016	65 (1%)	180 (3%)	136,210 (7%)
Total occupied private dwellings	4,395	5,425	1,881,970

Table 18: Occupied dwelling and period of construction
Source: Urbanics Consultants Ltd. and Census 2016

Occupied private dwelling characteristics	Quesnel	North Cariboo	BC
1960 or before	690 (16%)	535 (10%)	267,560 (14%)
1961 to 1980	2,060 (47%)	2,525 (47%)	559,485 (30%)
1981 to 1990	625 (14%)	845 (16%)	289,565 (15%)
1991 to 2000	720 (16%)	875 (16%)	331,865 (18%)
2001 to 2005	95 (2%)	180 (3%)	125,335 (7%)
2006 to 2010	140 (3%)	285 (5%)	171,945 (9%)
2011 to 2016	65 (1%)	180 (3%)	136,210 (7%)
Total occupied private dwellings	4,395	5,425	1,881,970

Table 18 provides the housing stock in the municipality and its period of construction. It shows that in 2016 roughly only 6 percent of the total housing stock in the municipality was built since 2001. Likewise, only 11 percent of the housing stock in North Cariboo was built since 2001. Compared to British Columbia at 23 percent, the community demonstrates a need for newer residential construction.

It should be noted that though 63 percent of the housing stock was built prior to 1980 it does not necessarily mean that all of these homes require major repairs. It should also be noted that the Housing Needs Assessment Survey found that roughly 19 percent of the households in the community (although slightly higher in the municipality) had indicated that homes in their neighborhood needed major repairs and 52 percent needed minor repairs. These percentages are lower than other similar communities the consultants have worked in. For the study the consultants rely on the Census 2016 data.

4.6 Shelter-cost-to-income ratio

Shelter-cost-to-income ratio (STIR) refers to the proportion of average total income of household which is spent on shelter costs. It is calculated for private households living in owned or rented dwellings and is estimated by dividing a household's total annual shelter cost by its total annual income (for households with income greater than zero) and then taking an average of the individual households' STIRs. Shelter costs for owner households include, where applicable, mortgage payments, property taxes and condominium fees, along with the costs of electricity, heat, water and other municipal services.

Shelter-cost-to-income ratios	Quesnel	North Cariboo	BC
Owner and tenant households with household income greater than zero	4,390	5,190	1,832,420
Spending less than 30% of income on shelter costs	3,580 (82%)	4,610 (89%)	1,320,210 (72%)
Spending 30% or more of income on shelter costs	810 (18%)	580 (11%)	512,210 (28%)
Owner in non-farm; non-reserve private dwellings	2,780	4,540	1,242,600
Owner households with a mortgage	1,418 (51%)	2,432 (54%)	728,164 (59%)
Households spending 30% or more of its income is on shelter costs	139 (5%)	392 (9%)	257,218 (21%)
Median monthly shelter costs for owned dwellings (\$)	\$ 569	\$ 518	\$ 1,149
Median value of dwellings (\$)	\$208,046	\$ 187,758	\$ 500,874
Tenant households in non-farm; non-reserve private dwellings	1,615	665	592,825
Tenant households in subsidized housing	242 (15%)	25 (4%)	74,103 (13%)
Tenant households spending 30% or more of its income on shelter costs	662 (41%)	212 (32%)	256,693 (43%)
Median monthly shelter costs for rented dwellings (\$)	\$ 714	\$ 692	\$ 1,036

Table 19: Shelter-cost-to-income ratio

Source: Urbanics Consultants Ltd. and Census 2016

Table 19 provides the share of owner and tenant households spending 30 percent or more on housing in the City of Quesnel, North Cariboo and the Province. The Table suggests that the households in Quesnel paid a median monthly shelter cost of \$569 for owner-occupied and \$714 for tenant occupied units in 2016. These shelter costs are higher than North Cariboo but significantly lower than the Province.

In addition, the Table suggests that the proportion of households spending 30 percent or more of its income on shelter in 2016 was:

- Quesnel: 5 percent of owner-households and 40 percent of tenant households
- North Cariboo: 9 percent of owner-households and 32 percent of tenant households
- British Columbia: 21 percent of owner-households and 43 percent of tenant households

Urbanics conducted research on apartment rents and found 2019 rents to be higher than 2016 rents. Consequently, the proportion of households spending 30 percent or more of its income on shelter could be higher. The survey reports 25 percent of respondents pay more than \$1001 for rental housing per month; 32 percent of owner-occupied housing respondents reported to pay over \$1001.

4.7 Core housing need

A household is considered to be in core housing need if its housing falls below at least one of the adequacy, affordability or suitability standards and if it would have to spend 30 per cent or more of its before-tax income to pay the median rent (including utilities) of appropriately sized alternative local market housing.

The proportion of households in core housing needs is not available from Census 2016 or CMHC. However, we can estimate the proportion households likely to be in core housing needs by assuming that the total number of households failing the housing suitability and adequacy tests is equally divided between the owner and tenant households. Thus, the proportion of households in core housing needs in the municipality would roughly be as follows:

Quesnel Housing Standards	Total	Owners	Renters
Below suitability standard	3%	2%	4%
Below adequacy standard	9%	7%	10%
Below affordability standard	18%	5%	41%
	20%	7%	44%

Table 20: Estimated proportion of households in core housing needs
Source: Urbanics Consultants Ltd.

Table 20 provides a rough estimate for the owner and tenant households in core housing need for the City of Quesnel. The Table shows that:

- 3 percent of the households were below suitability standard, 9 percent were below adequacy standard and 15 percent of the households had failed the affordability standard in 2017 (Census 2016).

- The proportion of owner households failing the suitability criteria is 2 percent and failing the adequacy criteria is 7 percent. Similarly, the proportion of tenant households failing the suitability criteria is 4 percent and failing the adequacy criteria is 10 percent.
- Further assuming that for the owner households roughly 20 percent of the households that fail the suitability and adequacy test do not fail the affordability test, the overall proportion of owner households in core housing needs can be estimated at 7 percent of the total owner households.
- Also, assuming that for the tenant households roughly 20 percent of the households that fail the suitability and affordability test do not fail the adequacy test, the overall proportion of tenant households in core housing needs can be estimated at 44 percent of the total tenant households.
- Thus, roughly 44 percent of tenant households are expected to be in core housing needs, i.e. pay more than 30% of their household income towards shelter costs or live in homes that need repair or do not live in suitable housing.

North Cariboo Housing Standards	Total	Owners	Renters
Below suitability standard	12%	7%	47%
Below adequacy standard	9%	5%	35%
Below affordability standard	11%	11%	32%
	18%	13%	51%

Table 21: Estimated proportion of households in core housing needs

Source: Urbanics Consultants Ltd.

Table 20 provides a rough estimate for the owner and tenant households in core housing need for North Cariboo. The Table shows that:

- 12 percent of the households were below suitability standard, 9 percent were below adequacy standard and 11 percent of the households had failed the affordability standard in 2017 (Census 2016).
- The proportion of owner households failing the suitability criteria is 7 percent and failing the adequacy criteria is 5 percent. Similarly, the proportion of tenant households failing the suitability criteria is 47 percent and failing the adequacy criteria is 35 percent.
- Further assuming that for the owner households roughly 20 percent of the households that fail the suitability and adequacy test do not fail the affordability test, the overall proportion of owner households in core housing needs can be estimated at 13 percent of the total owner households.
- Also, assuming that for the tenant households roughly 20 percent of the households that fail the suitability and affordability test do not fail the adequacy test, the overall proportion of tenant households in core housing needs can be estimated at 51 percent of the total tenant households.
- Thus, roughly 51 percent of tenant households are expected to be in core housing needs, i.e. pay more than 30% of their household income towards shelter costs or live in homes that need repair or do not live in suitable housing.

5 Housing Market Characteristics

5.1 Housing sales activity

This section examines the housing sales activity in the City of Quesnel, by using the active listings and sales data from the BC Northern Real Estate Board (BCNREB). The table suggests that on an average:

- Single family units had an average list price of \$321,580 and a significantly high absorption rate of 36 percent;
- Townhouses had an average list price of \$109,966 and a slightly high absorption rate of 17 percent;
- Duplex/Triplex had an average list price of \$147,500 and a significantly high absorption rate of 25 percent;
- Mobile/manufactured homes had an average list price of \$110,716 and a significantly high absorption rate of 29 percent; and,
- Apartments had an average list price of \$61,371 and an absorption rate of zero percent (i.e., not enough sales to listings ratio to estimate absorption rate).

Active listings (as of May, 2019)	# of listings	Average List Price (\$)	Absorption Rate
Single-detached	47	\$ 321,580	36%
Townhouse	6	\$ 109,966	17%
Duplex/Triplex/Fourplex	4	\$ 147,500	25%
Mobile/ Manufactured	2	\$ 110,716	29%
Apartment	1	\$ 61,371	0%

Table 22: Current active listings in Quesnel
Source: Urbanics Consultants Ltd. and BC Northern Real Estate Board

Table 20 provides the sales data from BCNREB for 2019 from January 2019 to May 2019. The Table suggests that 46 single family homes, 1 townhouse, 2 duplex/triplex homes, 8 mobile homes and 1 apartment sold during the past year. These homes were on the market for an average of 32 days in the case of single-family units, 188 days for townhouses, 51 days for duplex/triplex/fourplex, 17 days for mobile homes, and 13 days for apartments. In addition, on an average:

- Single family units had an average list price of \$270,754 and a total value of all sales to total value of the listing prices ratio (\$S/A%) of 97%;
- Townhouse had an average list price of \$81,148 and a \$S/A% of 108%;
- Duplex/triplex/fourplex had an average list price of \$147,000 and a \$S/A% of 94%;

- Mobile/manufactured homes had an average list price of \$68,000 and a \$S/A% of 95%; and,
- Apartments had an average list price of \$46,500 and a \$S/A% of 95%.

Sold listings (January 2019 - May 2019)	# of Sales	Average DTS*	\$S/L%**	Sale Price (\$)	
				Median	Average
Single-detached	46	32	97%	\$276,500	\$270,754
Townhouse	1	188	108%	\$ 81,148	\$ 81,148
Duplex/Triplex/Fourplex	2	51	94%	\$140,000	\$147,000
Mobile/ Manufactured	8	17	95%	\$ 72,925	\$ 68,000
Apartment	6	13	95%	\$ 58,333	\$ 46,500

*Days from the date the property is listed until the sale date.

**Total value of all sales/total value of the listing prices for those properties. This demonstrates the level of under- or overactive housing market, where over 100 percent indicates an overactive market.

Table 23: Home sales activity March 2018 – March 2019

Source: Urbanics Consultants Ltd.

Note: Excluded Property Types are Vacant Land/Lot and Recreational

The sales to listing ratio indicates the housing market for single-detached homes, duplex/triplex/fourplex, mobile/manufacture homes and apartments is a “buyers market” (i.e. supply exceeding demand) and townhouses is a sellers market. Based on survey and interview responses, sellers frequently delay listing properties during winter months (December – February). This turns the housing market during that time of year into a sellers market due to the lower supply of housing for sale.

5.2 Rental housing

North Cariboo and the City of Quesnel has an inadequate rental housing market according to the consultant’s research and has an undersupply of housing on the market. According to CMHC, the vacancy rates as of October 2018 for the City of Quesnel are:

- Bachelor: 0 percent
- 1-bedroom: 6.8 percent
- 2-bedroom: 3.5 percent
- 3-bedroom or more: N/A

The consultant conducted a rental market survey (telephone) of landlords, property managers, owners of apartment buildings and owners of rental suites, during the months of May and June 2019. The findings from the survey is largely based on the responses from the landowners and

property managers of apartment buildings in the municipality. Statistics from CMHC are compiled with the rates derived from the rental market survey.

The average rental rates for each unit type is given below:

- Studios: \$523 per month
- 1-bedroom: \$650 per month
- 2-bedroom: \$700 per month
- 3-bedroom: \$991 per month

It should be noted that the above rents are average rents surveyed in the housing market and averaged with CMHC reported rental rates. It is likely that the actual rents in the market may be higher depending on the type and quality of housing. For example, an upper-scale single-family home is likely to go for a much higher rent than the above-mentioned rents.

Surveyed landowners and property managers noted they are raising their rates and other stated they are lowering their rates. The rental market appears to be in flux now as the economy continues to recover from the decline in the forestry industry and a series of job losses (e.g., most recently the Tolko sawmill closure). Interviews with real estate industry professionals indicated that job losses have not substantially affected the housing market and it is believed that the latest closure will not be a cause for concern for those in the real estate industry. One reason is that this type of job classification is not growing anywhere across the Province and moving for similar work in the same industry is not viable for job prospects or security.

5.3 Affordability of market-rate housing

This section examines the affordability standard in the City of Quesnel based on the household's income and mortgage qualification criteria. The analysis identifies the average sales prices observed in 2019. For each of these prices the corresponding qualifying "affordable" income is determined using a set of assumptions. CMHC defines a property as affordable if the cost of paying for that housing utilizes less than 30 percent of the household's pre-tax income.

Typical shelter costs include the mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services for owners. For renters, shelter costs include rent and any payments for electricity, fuel, water and other municipal services.

Other assumptions include:

- 20 percent down payment – Anything less will force the borrower to pay mortgage insurance every month until the borrower has built 20 percent equity in the property. Also, many lenders require at least this much down payment as part of their lending guidelines. Inherent barriers to the housing market exist and some populations, particularly younger populations that experience higher debt to net worth ratios in part due to student loans, may have difficulty saving for the down payment sum; additional years to save for a down payment may be necessary.

- 25-year mortgage amortization – This is the longest-term mortgage available, which lends itself to the smallest monthly payment;
- 5% interest rate – This is the currently advertised interest on a 25-year fixed-rate mortgage;
- \$3.949 per \$1000 in home value– This is the current residential property tax rate in the City of Quesnel;
- 0.25 percent insurance rate – This is to account for insurance requirements the lender may have; and,
- Principal, interest, taxes, and insurance (PITI) will be reflected in the analysis below.

The analysis uses the household income from the recently released 2016 Census data along with information from a variety of other public and private sources. This analysis focuses on estimating the baseline share of households that are likely to fail the affordability criteria instead of identifying the impact of various types of mortgage instruments on affordability.

Table 21 provides the findings from the housing affordability analysis for owner-occupancy in 2019. The table suggests that:

- for a median priced single-family home priced at \$276,500 roughly 45 percent of the households will not qualify for a mortgage.
- for a median priced townhome priced at \$81,148 roughly 11 percent of the households will not qualify for a mortgage.
- for a median priced duplex priced at \$140,000 roughly 20 percent of the households will not qualify for a mortgage.
- for a median priced mobile or manufactured home priced at \$72,925 6 percent of the households will not qualify for a mortgage.
- for a median priced apartment priced at \$58,333 about 3 percent of the households will not qualify for a mortgage.

Dwelling types	Median sales price	Loan amount	Mortgage payment (\$ monthly)	PITI (\$ annual)	Qualifying household income (\$ annual)	% of households that fail affordability test
Owner-occupied						
Single-detached	\$ 276,500	\$ 221,200	\$ 1,293	\$ 16,210	\$ 54,032	45%
Townhouse	\$ 81,148	\$ 64,918	\$ 380	\$ 4,757	\$ 15,858	7%
Duplex/Triplex/Fourplex	\$ 140,000	\$ 112,000	\$ 655	\$ 8,207	\$ 27,358	20%
Mobile/Manufactured	\$ 72,925	\$ 58,340	\$ 341	\$ 4,275	\$ 14,251	6%
Apartment	\$ 58,333	\$ 46,666	\$ 273	\$ 3,420	\$ 11,399	3%
	Monthly rent					
Renter-occupied						
3-bedroom	\$ 991				\$ 39,640	33%
2-bedroom	\$ 700				\$ 28,000	22%
1-bedroom	\$ 650				\$ 26,000	19%
Bachelor	\$ 523				\$ 20,920	14%

Table 24: Proportion of households that fail affordability criteria

Source: Urbanics Consultants Ltd.

Based on previous real estate data, housing prices have been steadily trending upwards in North Cariboo and particularly in the City of Quesnel. Thus, a higher proportion of households are expected to fail the affordability criteria going forward.

Table 22 also provides the findings from the housing affordability analysis for renter-occupancy. The table suggests that roughly:

- 14 to 19 percent of the households are currently priced out of the rental market (bachelor and 1-bedroom unit) as their annual household income is below \$20,920.
- 22 percent of the households with income below \$28,000 would not be able to afford a 2-bedroom unit with a rent of \$700 per month in the municipality.
- 33 percent of the households with income below \$39,640 would not be able to afford a 3-bedroom unit with a rent of \$991 per month in the municipality.

As of the end of June, 2019, anecdotal evidence suggested an undersupply of rental housing and an increase in rental rates for some rental properties and a decrease in other rental properties. This suggests a housing market that is in flux, possibly due to potential renters and owners with higher incomes coming into Quesnel while many of the current residents experience unchanged incomes.

5.4 Affordability for households by type

This section examines whether census-family and non-census-family households earning median incomes will be able to purchase a median-priced home based on the 30 percent affordability threshold. The Table provided below shows that all census-family and non-family households earning above the median household incomes will be able to afford all types of median-priced housing products in 2019.

Thus, the overall affordability levels of all household types are satisfactory for all households with the exception of lone-parent families or 1-person households in some cases. Lone-parent families and 1-person households cannot typically purchase price a single-detached. However, the overall income characteristics suggest that there is significant purchasing capacity in the municipality, which is of particular interest to the development community.

Households	Median household income	Affordable purchase price	Single-detached \$ 276,500	Rowhouse \$ 81,148	Duplex /Triplex /Fourplex \$ 140,000	Movable Dwellings \$ 72,925	Apartment \$ 58,333
Couple-only family	\$ 80,969	\$427,940	✓	✓	✓	✓	✓
Couple-with-children	\$ 111,445	\$589,012	✓	✓	✓	✓	✓
Lone-parent Family	\$ 41,248	\$218,005	✗	✓	✓	✓	✓
Family income in 2015	\$ 84,108	\$444,530	✓	✓	✓	✓	✓
1 person households	\$ 29,040	\$153,483	✗	✓	✓	✓	✓
2 or more person households	\$ 83,689	\$442,316	✓	✓	✓	✓	✓
Households income in 2015	\$ 60,651	\$320,554	✓	✓	✓	✓	✓

Table 25: Affordable homeownership (before-tax income)

Source: Urbanics Consultants Ltd. and Statistics Canada

Next examined was whether family and non-census-family households would qualify to rent a typical rental unit based on the 30 percent affordability threshold. The rents were averaged from data reported by CMHC and interviews with rental housing operators. The Table provided below shows that most types of census-families and households will qualify for all sizes of rental housing. The households with affordability issues include 1-person households, and lone-parent households nearly fail the affordability test:

- 1 person households do not meet the affordable monthly rent for 3-bedroom housing types and may find it difficult to afford 2-bedroom units;
- Lone-parent households are vulnerable to not affording 3-bedroom units, which may be difficult for the household if the lone-parent is taking care of three or more children

Households	Median household income	Affordable rent (Up to 30%)	Bachelor	1-bedroom	2-bedroom	3-bedroom
			\$ 523	\$ 650	\$ 700	\$ 991
Couple-only family	\$ 80,969	\$2,024	✓	✓	✓	✓
Couple-with-children	\$ 111,445	\$2,786	✓	✓	✓	✓
Lone-parent Family	\$ 41,248	\$1,031	✓	✓	✓	✓
Family income in 2015	\$ 84,108	\$2,103	✓	✓	✓	✓
1 person households	\$ 29,040	\$726	✓	✓	✓	✗
2 or more person households	\$ 83,689	\$2,092	✓	✓	✓	✓
Households income in 2015	\$ 60,651	\$1,516	✓	✓	✓	✓

Table 26: Affordable rental rates by household type (before-tax income)

Source: Urbanics Consultants Ltd. and Statistics Canada

It should be noted that the above analysis further suggests that most of the housing affordability issues are being faced by households at incomes significantly below the median incomes in each census-family and non-census family household category.

6 Current gaps in the housing market

North Cariboo and the City of Quesnel are distinct communities, while still experiencing similar challenges and housing needs. The need for more housing options across the housing continuum is evident for the community, however, a supply of new housing development is not meeting the demonstrated demand for housing. Normal market forces in the community are constrained by several factors explored in this study, such as:

- lack of serviced, desirable lands;
- rapidly aging population;
- declining household sizes;
- slow population growth; and,
- local affordability.

The degree to which North Cariboo and the City of Quesnel experience these constraining factors varies between the region and municipality. For Quesnel, the moratorium on new

construction in west Quesnel on the land affected by the ground movement further constrains the developable land available within the municipality. The most critical component of the stagnant housing market is the affordability of current and newly constructed housing for local residents that live and work within the community. Further, development costs relative to product price point coupled with the market dynamics constrain the motivation for the private sector to facilitate land development and build houses.

6.1 Lack of serviced and desirable lands

Regarding North Cariboo and Quesnel, surveys targeted to homebuilders and developers indicate that the number one issue in new construction is the availability of serviced and desirable lands. Improving the possibility of building relates to developing more lots for that are desirable to the clientele that can afford new homes. It was reported financing is difficult for homeowners.

Homebuilders and developers reported their challenges with creating more housing in North Cariboo and Quesnel. It is worth noting the City of Quesnel is considered by surveyed homebuilders to be making a positive climate for those involved in creating more housing. They state that, compared to other communities, processing permits and development costs are reasonable and even competitive. Developers, however, report that development cost charges (DCCs) are cost-prohibitive in the current market.

The reader should note DCCs are funds that are collected from land developers by a municipality to offset some of the infrastructure expenditures incurred and to service the needs of new development. The charges are intended to facilitate development by providing a method to finance capital projects related to roads, drainage, sewers, water and parkland. DCCs are required by bylaw pursuant to the Local Government Act and DCCs allow monies to be pooled from many developers so that funds can be raised to construct the necessary services in an equitable manner. Developers also report low absorption rates (market does not show enough demand for their product) and the price point for lots is too low to offset land development costs and profit. These two factors are by far the most significant challenges developers face in Quesnel and North Cariboo.

It is important to note that extending public infrastructure (e.g., water and sewer) to areas outside of the main population centres may lead to significant long-term municipal financial burden when accounting for the on-going cost of maintenance and replacement for the infrastructure. Any new infrastructure, such as a new road, comes with a future obligation for maintenance. Often public infrastructure is initially subsidized or constructed by developers, but the cost of on-going maintenance and replacement should, in theory, be paid for by the property taxes from the residents and businesses benefiting from the infrastructure. Asset management plans assist local governments in aligning infrastructure obligations with property taxation. In most cases, in small- to medium-sized cities, the suburban developments do not provide enough of a tax base for the maintenance of the infrastructure that serves them; as a result, the infrastructure is subsidized by the commercial property taxes from the downtown core. That

said, a senior population transitioning to more accessible housing will need to be focused in existing areas with a range of services and will need to be walkable. This should capitalize on utilization of existing infrastructure.

The Multi-Family Housing Incentives program may want to consider defraying frontage improvement costs and even reducing frontage required as it discounts the costs for developers and reduces the amount of maintenance for local governments to service smaller roads and sidewalks. The multiple family development permit area should be expanded to offset the moratorium on new construction in West Quesnel northwest of Marsh Road, where about 25 percent of Quesnel's population resides in the area affected. The reader should note that frontage costs are already low compared to other BC communities.

In North Cariboo, Barkerville Gold Mines outside of Barkerville and Wells will be established by roughly 2022 and will be employing over 300 workers and the life of the mine is expected to be 50 years. This is expected to place further pressure on the municipality and surrounding North Cariboo housing market. The highly paid workforce will help support the demand needed for creating more housing as lot prices are currently very low when considering the land development cost and profit margin for developers. That said, some of this demand could be accommodated through an increase in supply associated with seniors choosing to transition out of 2-storey single family homes.

For both the region and municipality, although more acute in Quesnel, the relative degree of disrepair of housing stock creates an opportunity for building renovation businesses. Attracting renovation/ remodeling businesses through economic development initiatives will be explored in the report's final recommendations.

6.2 Demographic and household shifts

Based on the demographic assessment, the community is set to experience a significant increase in older adult households over the next 15 years. This would result in increased demand for both owner-occupied and rental housing with market-rate and nonmarket rate housing options. Interviews with North Health Authority (NHA) staff indicate that roughly 40 percent of hospital beds are occupied by seniors that could be discharged. The reason for their inability to leave is not health-related; it is house-related. NHA staff report that patients cannot return to the lifestyle tied to their single-family detached home that they had before their hospital visit. Stairs and maintenance of the property are insurmountable for such patients and they have no other housing options available to them in the community.

It is apparent through interviews with stakeholders and the responses from the survey that the municipality lacks enough age-appropriate housing for the rapidly increasing aging population that is becoming increasingly reliant on healthcare providers to remediate their housing needs. The type of building typology suitable for senior-appropriate units would include ground-oriented or elevated apartments, townhouses/rowhouses, and duplexes/triplexes/fourplexes. About 80 percent of older adults 65 years old and over are middle to high income and most of these

seniors could be expected to afford market-rate rental housing. Higher rates of low-income seniors 65 years old and over exist in North Cariboo (17 percent) and Quesnel (21 percent) than British Columbia (15 percent). The housing development analysis below explores the financial viability of nonmarket housing that can be tailored for low-income senior households. The lack of available appropriate units for seniors is constraining the housing market by not enabling the older, typically larger, and more affordable housing stock to be available to families as seniors downsize during their retirement years.

In North Cariboo, many survey respondents and interviews with stakeholders indicated there is a demand for a gated strata community for seniors where maintenance and snow removal would be included. Ideally, respondents repeatedly asked for one-storey, smaller units with little to no maintenance. Many respondents also desired a cohousing development, specifically for seniors in some responses. Cohousing can reduce the market-rate cost of ownership by 10 to 20 percent because the future residents can act as their own developer, removing the developer's fee from the total cost. Cohousing may increase the independent-living years of senior residents by roughly ten years, and thus would relieve the growing pressure on local healthcare providers such as NHA. This may be of interest to NHA as interviews with NHA suggest there is a concern over the capacity of the healthcare system to support an aging population and the influx of new retirees to North Cariboo. There is a workshop in October 2019 designed for creating cohousing development taking place with North Cariboo and Quesnel stakeholders and sponsored by Canadian Senior Cohousing.

The community is experiencing a strong shift towards smaller-sized households at a faster rate than the Province. However, the community lacks appropriate housing for this demographic segment and bachelor/studio and one-bedroom homes are under-built. There might be an untapped demand for smaller, market-priced ownership and rental units targeted toward early-career professionals and young families as well as empty nesters and retirees. To accommodate residents across the life cycle, the built form for such units should likely be accessible and barrier-free and, as in the case for senior-appropriate units, also ground-oriented or elevated apartments, townhouses/rowhouses, or duplexes/triplexes/fourplexes.

The low birth rate in Quesnel and declining birth rate in North Cariboo is countered by an increase in birth rate among the Indigenous population. Interviews with band members, CRD and City staff indicate there is new housing development taking place on the reserves, however, many social services and amenities are still primarily available in the municipality within the downtown area. Housing developments that partner with Indigenous housing providers is a possibility to ameliorate the deficient in housing available to Indigenous populations in the City of Quesnel. Nonmarket housing is crucial as social housing operators report that the majority of the population they serve is at least in part Indigenous.

Across North America, pets per capita are increasingly popular as household size shrinks. The Housing Needs Assessment indicated pet-friendly rental units are necessary as the limited rental market has few options for pet owners. Pet-friendly units are reported to be unaffordable for many one or two person households.

6.3 Affordability

North Cariboo has more total work force employed in major economic sectors than the City of Quesnel and has its work force more concentrated in agriculture, fishing and hunting, and namely forestry. Concentration on the forestry industry for both the region and City is creating an economic dependency on an industry that has slowed since the 2008 global housing market downturn, and although there has been recovery the industry has not recovered to pre-2008 numbers. An uncertain labour market and depressed wages affects the housing options residents may be able to afford; while the price of homes and the rental rates are relatively lower than most other communities in British Columbia, many of the residents lack the ability to afford a home.

North Cariboo has higher incomes than Quesnel, and in Quesnel about a quarter of residents fail the affordability criteria for the 2-bedroom rental unit, which is the most common type of rental unit in Quesnel. This suggests rising rents will likely put growing pressure on the housing market to provide residential products that are affordable at or below market value for roughly a quarter of the households. On the other hand, the 27 percent of households in Quesnel and 31 percent of the households in North Cariboo that earn over \$100,000 will demand residential products in line with the tastes and purchasing power of higher-income households.

The City of Quesnel is experiencing an oscillating rental market between price points. Some landlords and property managers are raising rents and others are lowering rents. Conversations with the stakeholders and the municipal staff has found that many potential renters are struggling to find affordable rental units in the municipality and are frustrated by the lack of affordable units available on the market.

Homeowners in North Cariboo (9 percent) are more likely than those in Quesnel (5 percent) to be housing insecure and pay over 30 percent of their income to housing while renters in Quesnel (41 percent) are more likely to be housing insecure than in North Cariboo (32 percent). About 45 percent of Quesnel residents are expected to not afford a single-family detached home, the most common dwelling available in North Cariboo and Quesnel. One-person households and lone parent households are the most vulnerable household types to being housing insecure in Quesnel than North Cariboo, considerably more so in Quesnel than North Cariboo. Considerable affordability issues are experienced in the community and are more acute within the City.

It is noted that the survey returned sentiments regarding the character of the sub-region, particularly the Bouchie-Milburn Lake area. Some respondents remark that they desire that their community retains its rural character and would like to avoid more development, even affordable housing. If senior and affordable-oriented housing development does not take place in North Cariboo, the municipality may take on much of the responsibility to provide affordable and appropriate housing typology options for North Cariboo seniors aging into a life stage that requires homes that are one-storey and low to no maintenance.

The condition of the current housing stock is compounding the already tight rental and housing market. Based on field visits and interviews with City staff, the proportion of housing that requires major repairs is likely higher than the proportion reported in the 2016 Canadian Census (11 percent in North Cariboo and 9 percent in Quesnel). The need for new housing development is clear, however the ability for residents to afford newly constructed homes is uncertain. In the housing development analysis (i.e., section 8), it shows roughly one-third of residents cannot afford most housing types as newly built units except for the most affordable option, manufactured homes. Rental rates in these newly constructed units are also unaffordable to roughly one-third of the population. Nonmarket housing is needed to fill in the gaps between market-rate housing and what residents can afford.

There is a current unmet need for social housing in North Cariboo and particularly in the municipality, including homeless shelters and below-market affordable rentals. This includes:

- Roughly 15 percent of Quesnel households and 4 percent of North Cariboo households receive rental subsidies;
- 3 percent of households priced out of the lowest priced owner-occupied residential product (manufactured home); and,
- 14 percent of households priced out of a bachelor apartment in the rental housing market.

Based on the respondents from the Housing Needs Assessment survey, there is a desire for more strata manufactured home parks to access more affordable housing. At present there are not many zoned parcels available for this residential type.

6.4 Opportunities for addressing gaps

In general, the municipality has created a positive climate for higher-density development by allowing secondary suites and the Multi-Family Housing Incentives program. Partnership with an engaged municipality and Regional District will enable more opportunities to close the housing gaps that exist.

While not within the scope of this study, transportation plays an integral role in creating housing in North Cariboo and particularly Quesnel. An aging population that eventually loses its ability to drive and the density needed to achieve affordable housing necessitates access to viable non-personal vehicular transportation. North Cariboo currently does not have a high percentage of the population commuting within its census subdivision (CSD), but the municipality has a higher percentage than the Province for residents commuting within the CSD. The existing rates of inner CSD commutes presents better possibility for creating modes of transportation to support the shifting demographics and some of the affordable housing typology recommended for development.

Due to the shift in the industries that affect the region's economy, it is critical to support existing educational resources. North Cariboo and Quesnel have lower educational attainment rates than the Province, and the College of New Caledonia and the satellite University of Northern

British Columbia provide an opening for residents to take advantage of higher-paying career opportunities between the region and municipality. Interviewees also reported that there is often a labour mismatch or gap for local businesses. Higher incomes are crucial to increase the demand for housing products and address the low-price points that those involved in housing development report.

Entrepreneurial Local Government

Local government has traditionally functioned as a service provider, delivering sewer, water, drainage, fire protection and policing, for example, for the benefit of taxpayers. The scope, albeit ever evolving, has been largely limited to service provision paid through property taxes. Typically, local governments have actively avoided moving beyond these parameters and into areas of direct competition with private sector business, such as land development. However, the scope of services provided by local government has generally expanded over time driven by “down loading” or desires of the community. The primary burden for financing the expansion has largely rested with the tax payer. Certainly, grants such as the federal Gas Tax Fund help ease some of the infrastructure upgrade cost burden on property tax payers. So too does development cost charges and various fees. However, combined, these non-property tax contribution amount to comparatively little relative to the escalating costs associated with maintaining existing infrastructure and accommodating new service requests. Accordingly, seeking new revenue opportunities is often a priority for local government either to avoid or reduce increases in property tax.

A separate but related issue for many local governments is the desire to see development of strategic lands in the community; often, such lands are significantly located within a downtown core. Many official community plans contain policy statements that speak to such issues as downtown revitalization and increasing the amount of residential development within a downtown core in an effort to increase its economic vitality and activity – it is often perceived as a “game changer”. In many situations, local governments seek to stimulate such investment and development through the implementation of various programs such as reduced development cost charges, reduced frontage improvement obligations, property tax exemptions, building façade improvement grants, etc. such initiatives do little to shift the nexus of development costs, price point, absorption rate, and commercial financing. Downtown redevelopment in small communities is frequently hindered by this economic paradigm which means that little changes in respect of local government meeting their OCP goals associated with the creation of a vibrant downtown. In other cases, many of the strategic properties within a downtown are owned by a limited number of investors that may not be motivated to pursue any development or to sell. When there are no recent comparable properties for a particular type of real estate product, such as multi-family residential, it complicates the financial model an investor relies on to assess the viability of a project and commercial lending. In a hot real estate market or in cases of an existing revitalized downtown, the lack of comparable properties can be slightly offset. However, where none of these conditions apply, an investor can be very reluctant to take a chance in an unproven market.

Local government can, nonetheless, provide a catalyst for change beyond the conventional incentives mentioned previously. The pivotal consideration is the financial dynamic of a development program. Local government is ideally positioned through the Municipal Finance Authority BC to avoid the typical lending obligations established by commercial lenders that frequently restrict development in other than robust markets. Moreover, local government is freed from pivotal financing metrics such as absorption rates or return on investment, for instance. Rather than such metrics defining the financing potential of a given project, other values can take precedent such as increasing downtown activity and economic vibrancy within the downtown, for instance. Naturally, such metrics can represent significant contributions to community and for attraction and retention goals.

Local Government as the Developer

Local government, often through an arm's length economic development function, can consider a completely different financial model than a private sector developer associated with a land development project such as multi-family residential. This can be the difference between seeking development occur or not. There is available scope in the financial model - on one hand, local government can prefer an aggressive financial model, equivalent to the private sector with market scale profit as the goal or an eased model that gives priority to other non-financial ROI targets on the other. The advantage that local government has over private sector developers in bringing product to market is a typically lower interest rate through the MFA (i.e. 2.35% for 10 years at present), a discounted ROI, and flexible absorption rate. Local government can elect to consider various approaches e.g. designed to generate profit, or be profit neutral, or be profit negative, should other values take precedent over profit. With this financial latitude, local government can purchase a key property or utilize its own property for development purposes. Construction of suitable product can then be facilitated, in a multi-family scenario, as market apartment condominiums or rental apartments. The completed project can either be marketed for sale on a break-even or profit basis, for instance, which would permit project cost recapture. In the alternative, the project can be utilized as a revenue stream in relative perpetuity. On this basis, the local government becomes insulated from the market and can deliver what the private sector may not, particularly given that it can choose a zero-based ROI and a completely flexible absorption in favour of both introducing the product to a strategic part of the community and as a "market pioneer". The latter can provide valuable market intelligence where there otherwise is not any which can influence developer investment decisions and optimally, set the tone for further development. Essentially, this helps to clarifying the risk profile for the investor.

Local Government as a development Partner

Another fundamental scenario involves local government taking a proactive role around development of key lands in its the role of development partner versus developer. This is a less driven approach that involves local government reducing upfront financing costs for a developer by providing a strategic piece of municipally owned land for development and reclaiming value in various ways. It means that local government transfers the actual development/ construction

component to a private sector partner, much like a 3P. The following is an example of some basic cost recovery scenarios associated with this model:

- deferring payment for the subject property until some or all product has been sold;
- receiving a percentage of each unit sold up to the assessed value of the property;
- Receiving a percentage of gross or net monthly rental income in either a short term/ high percentage or long term/ low percentage scenario;
- Receive an area of floorspace in the building as an air space parcel as equivalent compensation for the land value which the local government can utilize for their own purposes, convert to a revenue stream, or sell.

With any of these cost recapture scenarios, the goal is to ease the financial burden on a developer in a weak real estate market or in a location that does not provide any market comparables, through facilitating a financially manageable payment scenario that avoids upfront land acquisition costs. This approach can influence a developer's investment decision and financing opportunities. Logically, this can be a greater incentive when land values are high and represent a higher proportion of gross development cost, and conversely, the opposite is true.

7 Housing needs projections

7.1 Housing needs as a result of growth in households

This section examines the future housing needs of the community based on the population and household growth projections. The population growth projections are based on the Census 2016 population counts for the City of Quesnel and the adjusted age cohort and gender-based population growth rates for Quesnel School District for the period 2016 - 2031 (BC Stats, July 2019). These population projections incorporate age-cohort and gender-based fertility and mortality data and mobility information for the geography to project the future population for the region.

Further, distribution of the households based on the age of the head of the household (2016 Census) have been used to estimate the total number of households over the projection period; assuming that household maintainer rates for each of the age-groups in the population stay constant over the study period.

The household projections show an increase of roughly 161 households every five years or a total of 442 households during 2016 - 2031. The resulting estimates of households by age cohort for the municipality are shown in the tables below.

Population	2016	2021	2026	2031
Under 15 years	1,665	1,643	1,597	1,605
15 to 24 years	1,170	1,097	1,088	1,110
25 to 34 years	1,115	1,179	1,265	1,227
35 to 44 years	1,095	1,135	1,185	1,248
45 to 54 years	1,355	1,153	1,057	1,116
55 to 64 years	1,540	1,477	1,296	1,104
65 to 74 years	1,065	1,246	1,344	1,297
75 years and over	890	1,090	1,429	1,760
Total	9,895	10,020	10,261	10,467

Households	2016	2021	2026	2031	Average
Under 25 years	200	193	189	192	
25 to 34 years	565	597	641	622	
35 to 44 years	620	643	671	707	
45 to 54 years	800	681	624	659	
55 to 64 years	935	897	787	670	
65 to 74 years	695	813	877	846	
75 years and over	575	704	923	1,137	
	4,390	4,528	4,713	4,833	
Household growth					
5 year period		138	184	120	161
Annual		28	37	24	33

Table 27: City of Quesnel Population and household projection

Source: Urbanics Consultants Ltd.

Assuming that the tenure distribution remains stable, demand for housing, by age cohort and tenure can be estimated as follows:

Owner-occupied	2016	2021	2026	2031	Average
Under 25 years	20	19	19	19	
25 to 34 years	255	270	289	281	
35 to 44 years	380	394	411	433	
45 to 54 years	500	425	390	412	
55 to 64 years	680	652	572	487	
65 to 74 years	555	649	700	676	
75 years and over	395	484	634	781	
	2,785	2,894	3,016	3,089	
Housing needs					
5 year period		109	123	73	101
Annual		22	25	15	21

Renter-occupied	2016	2021	2026	2031	Average
Under 25 years	180	174	170	172	
25 to 34 years	310	328	352	341	
35 to 44 years	240	249	260	274	
45 to 54 years	300	255	234	247	
55 to 64 years	255	245	215	183	
65 to 74 years	140	164	177	170	
75 years and over	180	220	289	356	
	1,605	1,635	1,696	1,743	
Housing needs					
5 year period		30	62	47	46
Annual		6	12	9	9

Table 28: City of Quesnel owner and renter household growth projections - 2016-2031
Source: Urbanics Consultants Ltd.

The owner and renter household growth projections suggest that the municipality would add:

- About 101 new owner-households every five years or a total of 304 owner-households during the period 2016 - 2031.
- 46 new renter-households every five years or a total of 138 renter-households during 2016 - 2031.

These estimates have been broken down further to estimate the number of households in core housing need by tenure, which is summarized on the next page.

Housing Needs	2016	2021	2026	2031	Average
Owner occupied	2,785	2,894	3,016	3,089	
Renter-occupied	1,605	1,635	1,696	1,743	
Total housing needs	4,390	4,528	4,713	4,833	
Net housing needs					
Owner occupied					
5 year period		109	123	73	101
Annual		22	25	15	21
Renter-occupied					
5 year period		30	62	47	46
Annual		6	12	9	9
Core Housing Needs	2016	2021	2026	2031	Average
Core housing needs					
Owner occupied	195	203	211	216	
Renter-occupied	706	719	746	767	
Net needs					
Owner-occupied					
5 year period		8	8	5	7
Annual		2	2	1	2
Renter-occupied					
5 year period		13	27	21	20
Annual		3	5	4	4

Table 29: City of Quesnel households in core housing needs, 2016-2031

Source: Urbanics Consultants

Housing Needs	2016	2021	2026	2031	Average
Owner occupied	2,785	2,894	3,016	3,089	
Renter-occupied	1,605	1,635	1,696	1,743	
Total housing needs	4,390	4,528	4,713	4,833	
Net housing needs					
Owner occupied					
5 year period		109	123	73	101
Annual		22	25	15	21
Renter-occupied					
5 year period		30	62	47	46
Annual		6	12	9	9
Core Housing Needs	2016	2021	2026	2031	Average
Core housing needs					
Owner occupied	195	203	211	216	
Renter-occupied	706	719	746	767	
Net needs					
Owner-occupied					
5 year period		8	8	5	7
Annual		2	2	1	2
Renter-occupied					
5 year period		13	27	21	20
Annual		3	5	4	4

Table 48 provides the number of households that are likely to experience core housing need. The projections suggest that 21 new owner-households and 61 new renter-households are likely to be in core housing needs during 2016 - 2031.

It is based on the assumption that 7 percent of all new owner-households and 44 percent of all new renter-households are likely to experience core housing needs over the study period. Thus, overall:

- Out of a total of housing needs for 3,089 owner-occupied units in the municipality, 216 households are expected to be in core housing needs.
- Out of a total of housing needs for 1,743 renter-occupied units in the municipality, 767 households are expected to be in core housing needs.

The new households in core housing needs can be expected to fail the suitability, adequacy and affordability thresholds in the municipality. The municipality will be well-served by implementing programs and policies that address the needs of these households, especially by enhancing the supply of more affordable rental housing units in the municipality.

The household projections for North Cariboo show an increase of roughly 30 households every five years or a total of 80 households during 2016 - 2031. The resulting estimates of households by age cohort for North Cariboo are shown in the tables below.

Population	2016	2021	2026	2031	
Under 15 years	2,060	2,034	1,970	1,980	
15 to 24 years	1,385	1,293	1,297	1,310	
25 to 34 years	1,340	1,410	1,515	1,478	
35 to 44 years	1,460	1,514	1,581	1,666	
45 to 54 years	2,160	1,841	1,670	1,758	
55 to 64 years	2,455	2,370	2,077	1,774	
65 to 74 years	1,650	1,929	2,081	2,009	
75 years and over	740	910	1,196	1,438	
	13,250	13,301	13,387	13,413	
Households	2016	2021	2026	2031	Average
Under 25 years	120	116	114	115	
25 to 34 years	585	616	661	645	
35 to 44 years	745	773	807	850	
45 to 54 years	1,155	984	893	940	
55 to 64 years	1,325	1,279	1,121	957	
65 to 74 years	960	1,122	1,211	1,169	
75 years and over	265	326	428	515	
	5,155	5,216	5,235	5,191	
Household growth					
5 year period		61	19	-44	12
Annual		12	4	-9	2
Owner-occupied	2016	2021	2026	2031	Average
Under 25 years	40	39	38	38	
25 to 34 years	430	452	486	474	
35 to 44 years	630	653	682	719	
45 to 54 years	1,010	861	781	822	
55 to 64 years	1,220	1,178	1,032	882	
65 to 74 years	870	1,017	1,097	1,059	
75 years and over	245	301	396	476	
	4,445	4,501	4,513	4,470	
Housing needs					
5 year period		56	11	-42	8
Annual		11	2	-8	2
Renter-occupied	2016	2021	2026	2031	Average
Under 25 years	80	77	76	76	
25 to 34 years	155	163	175	171	
35 to 44 years	115	119	125	131	
45 to 54 years	145	124	112	118	
55 to 64 years	105	101	89	76	
65 to 74 years	90	105	114	110	
75 years and over	20	25	32	39	
	710	714	722	721	
Housing needs					
5 year period		4	8	-1	4
Annual		1	2	0	1

Table 30: North Cariboo population, household, and owner and renter household growth projections - 2016-2031

Source: Urbanics Consultants Ltd.

The owner and renter household growth projections suggest that North Cariboo would add:

- About 8 new owner-households every five years or a total of 25 owner-households during the period 2016 - 2031.
- 4 new renter-households every five years or a total of 11 renter-households during 2016 - 2031.

These estimates have been broken down further to estimate the number of households in core housing need by tenure, which is summarized below.

Housing Needs	2016	2021	2026	2031	Average
Owner occupied	2,785	2,894	3,016	3,089	
Renter-occupied	1,605	1,635	1,696	1,743	
Total housing needs	4,390	4,528	4,713	4,833	
Net housing needs					
Owner occupied					
5 year period		109	123	73	101
Annual		22	25	15	21
Renter-occupied					
5 year period		30	62	47	46
Annual		6	12	9	9
Core Housing Needs	2016	2021	2026	2031	Average
Core housing needs					
Owner occupied	195	203	211	216	
Renter-occupied	706	719	746	767	
Net needs					
Owner-occupied					
5 year period		8	8	5	7
Annual		2	2	1	2
Renter-occupied					
5 year period		13	27	21	20
Annual		3	5	4	4

Table 31: North Cariboo households in core housing needs, 2016-2031

Source: Urbanics Consultants

Housing Needs	2016	2021	2026	2031	Average
Owner occupied	2,785	2,894	3,016	3,089	
Renter-occupied	1,605	1,635	1,696	1,743	
Total housing needs	4,390	4,528	4,713	4,833	
Net housing needs					
Owner occupied					
5 year period		109	123	73	101
Annual		22	25	15	21
Renter-occupied					
5 year period		30	62	47	46
Annual		6	12	9	9
Core Housing Needs	2016	2021	2026	2031	Average
Core housing needs					
Owner occupied	195	203	211	216	
Renter-occupied	706	719	746	767	
Net needs					
Owner-occupied					
5 year period		8	8	5	7
Annual		2	2	1	2
Renter-occupied					
5 year period		13	27	21	20
Annual		3	5	4	4

Table 48 provides the number of households that are likely to experience core housing need. The projections suggest that 12 new owner-households and 6 new renter-households are likely to be in core housing needs during 2016 - 2031.

It is based on the assumption that 13 percent of all new owner-households and 51 percent of all new renter-households are likely to experience core housing needs over the study period. Thus, overall:

- Out of a total of housing needs for 4,470 owner-occupied units in North Cariboo, 590 households are expected to be in core housing needs.
- Out of a total of 721 housing needs for renter-occupied units in North Cariboo, 368 households are expected to be in core housing needs.

7.2 Development implications

The housing needs in a community are a reflection of the number of households in a community. However, development activity in a community is likely to be in excess of the actual growth in the number of households (permanent residents of the community). This is primarily because development activity in a community would typically include, in addition to new household growth, the following:

- Development activity for replacing of old housing stock, which includes any housing that has reached the end of its useful life and is unfit for human habitation. This typically represents roughly 5 to 10 percent of the total housing stock in similar communities. Further, assuming that roughly at least 10 percent of all housing in North Cariboo and the municipality is in need of major repairs, it is likely that at least a third of these homes needs replacement.
- Vacant dwelling units and dwellings used by temporary residents, which includes any structural vacancy in owner-occupied and renter-occupied homes as well as vacation homes and homes occupied by temporary residents (roughly 6 percent the total housing in 2016).

7.3 Non-market housing needs

The municipality currently has an inventory of roughly 345 non-market units or 3 percent of the total occupied housing stock (4,405 in 2016).

There are roughly 30 units of seniors housing and 35 units of assisted living. There is a need for roughly 10 more senior housing units and 11 more assisted living units based on the current waitlists (as of July 5th, 2019). Complex care includes 117 units. A significant portion of the stakeholder interviews and survey data points to an unmet need for affordable units that are accessible, barrier-free senior housing. According to the 2016 Census, about 21 percent of residents in City of Quesnel and 17 percent of North Cariboo residents are 65 years or older and low income; this equates to roughly 810 seniors that may be in need of senior housing. According to stakeholders within Northern Health, this number is expected to grow as more residents age into the 65 years old and over age group and retirees from the Lower Mainland retire in the area. With roughly 30 senior housing units, 35 units of assisted living, and 117 complex care units currently available in the municipality, there will be a future need for additional senior housing.

There is currently 15 emergency shelter beds and 8 transitional housing units in the community (respectively 0.3 percent and 0.2 of the total occupied housing of 4,390). Thus, in 2031 0.3 percent of the 4,833 housing units that the municipality is expected to have would necessitate 17 emergency shelter beds; in 2031 0.2 percent of the 4,833 housing units that the municipality is expected to have would necessitate 10 transitional housing units.

Below-market rental demand is currently served by 138 units, which means the current total non-market housing need for the community is anticipated to be roughly 660 units (15 percent of the current total occupied housing). Further, assuming that the municipality is able to maintain its future non-market housing at 2016 levels the housing needs of the community will be roughly 330 units (7 percent of 4,713) by 2026 and 707 units by 2036.

The municipality might also require additional affordable rental housing for its low-income households, as roughly 41 percent of its renter-households are facing affordability issues as they

pay over 30 percent of their income for shelter. At least 658 renter-households are expected to be facing affordability issues in 2016, which is likely to increase to roughly 695 households by 2026 and roughly 714 by 2036.

The reader should note that the rental housing needs estimated above are already included in the housing needs estimate for the municipality. However, emergency, supportive and transitional housing is not included in the above estimation as these types of housing would typically be identified as collective dwellings (dwellings which are institutional, communal or commercial in nature) in the Census.

7.4 Potential new demand by the age of household maintainer

The municipality is expected to display the following growth or decline in the number of households (by the age of the household maintainer), during the period 2016 – 2031:

Under 25 years	Total number of households in this group will decrease by 8 net new households, with 1 owner-households and 8 renter-households
25 to 34 years	Total number of households in this group will increase by 57 net new households, with 26 owner-households and 31 renter-households
35 to 44 years	Total number of households in this group will increase by 87 net new households, with 53 owner-households and 34 renter-households
45 to 54 years	Total number of households in this group will decrease by 141 net new households, with 88 owner-households and 53 renter-households
55 to 64 years	Total number of households in this group will decrease by 265 households, with 193 owner-households and 72 renter-households
65 to 74 years	Total number of households in this group will increase by 151 net new households, with 121 owner-households and 30 renter-households
75 years and over	Total number of households in this group will increase by 562 net new households, with 386 owner-households and 176 renter-households

Table 32: City of Quesnel growth projections by age of the household maintainer - 2016-2031
Source: Urbanics Consultants Ltd.

Thus, the primary housing needs are expected to be in the following demographic groups:

Householders 35 - 44 years

This group represents middle-age households with maintainers in the 35 – 44 years age group. This household group is more inclined towards homeownership, especially homes suitable for raising children. Typically, these householders have stable careers, are already married or re-married, and are witnessing their children grow into adolescence and in a few years prepare to leave the home. This demographic segment would generally prefer more medium to small single-family units. This segment is expected to display a housing need for 53 owner-occupied housing units and 34 renter-occupied units.

Householders 65 + years

This demographic segment includes empty nesters, retirees, seniors, and can include households with low income and net wealth (requiring social housing) as well as households that are well-off with sizeable wealth. This segment is expected to display a housing need for 386 owner-occupied housing units and 176 renter-occupied units. This demographic segment includes two distinct categories:

- Independent elderly (singles and married couples in good health): The independent elderly exhibit market characteristics more similar to that of the primary market, but with certain adjustments (e.g. a preference for generally smaller, lower-maintenance units, with a preference for greater access to certain amenities and facilities such as health care and convenience retail, etc.)
- Elderly in need of assistance (singles and couples with lower incomes and health concerns): These households require a wide variety of seniors housing and care options, including congregate care units and supportive living units.

North Cariboo is expected to display the following growth or decline in the number of households (by the age of the household maintainer), during the period 2016 – 2031:

Under 25 years	Total number of households in this group will decrease by 5 net new households, with 2 owner-households and 4 renter-households
25 to 34 years	Total number of households in this group will increase by 16 net new households, with 12 owner-households and 4 renter-households
35 to 44 years	Total number of households in this group will increase by 105 net new households, with 89 owner-households and 16 renter-households
45 to 54 years	Total number of households in this group will decrease by 215 net new households, with 188 owner-households and 27 renter-households
55 to 64 years	Total number of households in this group will decrease by 368 households, with 338 owner-households and 30 renter-households
65 to 74 years	Total number of households in this group will increase by 209 net new households, with 189 owner-households and 20 renter-households
75 years and over	Total number of households in this group will increase by 250 net new households, with 231 owner-households and 19 renter-households

Table 33: North Cariboo growth projections by age of the household maintainer - 2016-2031

Source: Urbanics Consultants Ltd.

North Cariboo follows the same demographic pattern as Quesnel:

- Households 35 - 44 years are expected to display a housing need for 89 owner-occupied housing units and 16 renter-occupied units.
- Households 65 + years are expected to display a housing need for 417 owner-occupied housing units and 19 renter-occupied units.

Some of the major housing issues:

Significant growth anticipated in senior households

Extremely tight rental market

Need for social housing, especially for affordable housing

Shift towards smaller-sized households and housing types

Significant proportion of houses need major repairs

8 Best practice opportunities

The main objective of examining best practices in affordable market rate and non-market housing across municipalities in the country and the Province is to identify some of the proven and effective practices that can potentially be implemented by the local government in improving housing supply and general affordability.

8.1 Current housing situation

A large proportion of total housing needs are expected to be addressed through market-rate housing. However, even within market-rate housing there is a significant need for low cost housing options. Additionally, non-market housing is primarily for a much smaller proportion of families and individuals who are facing affordability issues, homelessness or mental health or substance abuse issues. The latter sections will examine the relative housing needs in the market as well as non-market housing.

Both North Cariboo and, more severely, the City of Quesnel is witnessing continued declines in affordability in both owner-occupied as well as rental housing segments. As a result, households and individuals that are being priced out of the housing market are likely to require less costly housing options. Given the current market conditions, such housing is not economically viable without some form of assistance, subsidies, incentives or grants from at least one or more levels of government as well as active cooperation from the development community and non-profit agencies.

8.2 Potential strategies

The region and the municipality could potentially ensure an effective response to the declining affordability and limited supply of affordable housing through:

Low cost strategies

- **Regulatory measures:** Low cost regulatory measures such as density bonus program, secondary suites, small single-family lot sizes, demolition control and rental loss prevention programs are expected to be effective in increasing the supply of housing.
 - conducting regular housing needs assessments of the community;
 - creating effective land use policies and design guidelines for enhancing supply of affordable housing;

- creating guidelines for affordable housing, rental housing and special needs housing in a municipal development plan;
 - promoting medium-density, ground-oriented housing to address affordability and senior housing options;
 - rezoning or up-zoning of a specific site if a certain type of housing is developed;
 - small lot zoning which allows for more affordable single-family units;
 - reduction of setbacks;
 - reduction of minimum lot sizes;
 - reduced parking and other requirements;
 - allow infill developments in older residential neighborhoods (ex. Parkvale Overlay District in City of Red Deer, AB)
 - housing agreements for securing affordable housing over the long term; and,
 - fast-tracking or streamlining development applications and creating guidelines to facilitate development applications involving affordable housing components.
- **Community partnerships:** Developing strong community partnerships with non-profit organizations and the development community would be critical to the success of supportive/transitional and non-market housing. These organizations are knowledgeable about their communities or client group and often act as the operating partner, managing the housing and support services on an ongoing basis.
- **Education and advocacy measures:** The region and the municipality could enhance the understanding and support for low-cost housing and affordable housing by:
 - building community awareness and support for low-cost housing and affordable housing;
 - helping developers and non-profit groups in accessing funding and support from senior levels of government; and,
 - partnering with the development community, non-profit agencies, community organizations, along with the Federal and Provincial governments in conducting housing research and making policies for enhancing affordable housing in the community

Medium cost strategies

- **Create an Affordable Housing Reserve Fund:** The fund could provide capital grants for the acquisition, development, and retention of affordable housing; primarily for households with low to moderate income. The fund could also help in facilitating senior government and private sector investments in affordable housing projects.
- **Housing agreements:** Housing agreements ensure that affordable housing units remain affordable in the long-term, and this is particularly important when a municipality or regional district has made significant contributions in the form of land or capital (from housing funds).

High cost strategies

- **Partnership with Provincial government:** The City could partner with the Province through Memorandums of Understanding (MOUs) to develop and operate emergency, transitional and supportive housing. Under these MOUs, the municipal partner is required to provide CRD- or City-owned land on a long-term lease, waive all application and development fees, and consider partial or full property tax exemption for the non-profit operator.
- **Fiscal measures and direct provisioning:** Higher cost fiscal measures would be effective in enhancing the supply of low-cost market rate housing and non-market housing in the short run:
 - reducing or waiving development cost charges, building permit fees or property taxes for building owned or held by a charitable, philanthropic or other non-profit corporation; and,
 - donating municipal land or leasing land at/or below market value for developing affordable market and non-market housing.
- **Direct service provision:** The region and municipality could also:
 - Create or enhance existing housing corporations that provide housing and supports to low and moderate-income households; and,
 - develop purpose-built rental units and renovate existing buildings.

8.3 Provincial government role

The Provincial government plays a very important role in the provision of affordable housing through BC Housing. BC Housing partners with non-profit agencies, the private sector and other levels of government to:

- enhance the supply of affordable rental housing for the most vulnerable individuals and households in the Province;
- enhance the overall affordability of market housing through increased supply of higher density and lower priced housing;
- provide rent assistance to eligible housing in the private market; and,
- support programs and non-market housing aimed at individuals with mental health, substance abuse and homelessness related issues.

BC Housing is responsible for affordable housing programs in British Columbia, including:

- **Subsidized Housing:** It provides subsidized housing for individuals and families that have low income and meet eligibility criteria.
- **Affordable Rental Housing:** Adults who have a low-to-moderate income but may not be eligible for subsidized housing may live in affordable rental housing. BC Housing provides Housing Listings for affordable housing rentals, such as co-operatives. Affordable rental housing is housing with rents equal to, or lower than, average rates in the private-market.

- Emergency Housing: It provides emergency shelters, drop-in centres (a place to wash, do laundry and use other services), temporary shelters, Homeless Outreach Program and Aboriginal Outreach Program in addition to the Homelessness Prevention Program.
- Women's Transition Housing and Supports Program: BC Housing supports transition houses and safe homes for women (aged 19 years and older) who are at risk of violence, or who have experienced violence. The programs provide women and children with a temporary place to stay, support services, referrals and assistance in planning next steps.
 - Priority Placement Program: This program grants priority access for women fleeing violence to BC Housing's directly-managed housing units.
- Addiction Recovery Program: Stable, short-term housing for individuals participating in a substance use recovery program.
- Supportive Housing: For people who may have mental and physical health conditions, substance use and/or other challenges that puts them at higher risk of homelessness.
- Assisted Living Residences: subsidized assisted living residences in British Columbia.
- Independent Living BC Program: A subsidized, assisted-living program that provides housing with support services to seniors and people with disabilities.
- Seniors' Supportive Housing: Seniors' Supportive Housing provides low-income seniors and people with disabilities accessible housing with supports.
- Community Partnership Initiatives (CPI): The Community Partnership Initiatives (CPI) Program provides advice, referrals to partnership opportunities and long-term financing to help non-profit societies create self-sustaining, affordable housing developments.
- BC Seniors Home Renovation Tax Credit: Adults 65 years old and over can receive assistance in the cost of certain permanent home renovations that improve accessibility or help a senior be more functional or mobile at home.
- BC home support services: Community-based, non-medical home support services (e.g, transportation, housekeeping, etc.) are intended to help older adults stay in their own homes.
- BC Home Owner Grant: Reduces the amount of property tax that older adults 65 and over that qualify pay for their principal residence.
- BC Property Tax Deferment: A low interest loan program that helps qualified BC homeowners pay their annual property taxes on their principal residence.

Other provincial organizations are:

- The M'akola Group of Societies: It provides affordable, safe and appropriate homes primarily for Aboriginal people and families. With various community partnerships and funders, M'akola provides subsidized housing, affordable rentals and assisted living units throughout most of British Columbia, including the City of Quesnel. Within the municipality, M'akola provides single family dwellings and the rent is generally based on either M'akola Affordable Rent (MAR) or M'akola Rent Geared to Income (MRGI) rates.
- Canadian Home Builders' Association of British Columbia: Advocate of the residential construction industry across the province. The organization aims to serve members and the public through public relations, education, and building innovation.

- Pacific Housing Research Network (PHRN): This provincial organization facilitates housing research in BC by connecting researchers and practitioners and disseminating knowledge to apply to real housing solutions.

Federal government role

The Federal government plays an important role in the provision of affordable housing through Canada Mortgage and Housing Corporation (CMHC). It enhances homeownership by facilitating low down payment loans and allowing the use of retirement savings plan for down payments. It provides financial assistance to support activities that facilitate the creation of new affordable housing units (CMHC Seed Funding¹) and provides subsidies for ongoing operations as well as repairs of existing social housing developments. In addition, it works with the development community and non-profit organizations to facilitate the research, development, and funding of public and social housing in communities across Canada. Some of the affordable housing programs that are included under the CMHC and the BC government include:

Programs to increase the supply of affordable housing:

- Canada-B.C. 10-year bilateral housing agreement: The 10-year agreement will invest more than \$990 million to protect, renew and expand social and community housing, and will support the priorities in Homes for BC, the provincial government's 30-point plan for housing affordability in British Columbia. The new agreement marks the beginning of a partnership that will be supported by long-term and predictable funding started April 1, 2019.
- Affordable Rental Housing Initiative (ARHI): Financial assistance to create new affordable rental units.
- Aboriginal Housing Initiative (AHI): Financial assistance to create affordable rental housing for Aboriginal people living off-reserve.
- Federal-Provincial Housing Initiative (FPH): A program that will assist vulnerable British Columbia families and individuals in need including people at risk of homelessness.

Programs to foster safe independent living

- Home Adaptations for Independence (HAFI): Financial assistance to undertake accessibility modifications to housing occupied by seniors or persons with disabilities.

Programs to improve housing affordability

- Rental Assistance Program (RAP): Shelter allowance paid to working families to help make rent more affordable.
- Shelter Aid for Elderly Renters (SAFER): Shelter allowance paid to elderly renters (60 years of age and older) to help make rent more affordable.

¹ CMHC Seed Funding is available in the form of a non-repayable contribution of up to \$50,000. Additional funds may be made available in the form of a fully repayable, interest free loan of up to \$200,000.

- Homelessness Prevention Program (HPP): Rent supplements for people at risk of homelessness. This program serves renters including youth, victims of family violence, Aboriginal people, people leaving the correctional and hospital systems.

On-reserve housing funds:

- CMHC's On-reserve Non-Profit Housing Program provides funds for construction, purchase and rehabilitation of affordable rental housing.
- CMHC's First Nations Market Housing Fund (FNMHF) offers mortgage loan insurance options to buy, build or renovate homes.
- INAC (Indigenous and Northern Affairs Canada) provides funds for housing counts, strategies and lot development.

8.4 Effective measures

The region and the municipality could potentially use a variety of measures to enhance the supply of affordable market and non-market housing in the community, including:

- Use Affordable Housing Fund (similar to the City of North Vancouver, BC), Affordable Homes Renovation Fund/ Employee Housing Service Charge Fund (Whistler Housing Authority, BC) to address some of the persistent housing issues in the community. Housing Reserve Funds have been successfully used by a number of other municipalities across the country to tackle housing issues similar to North Cariboo.
- Execute housing agreements to ensure that affordable housing units remain affordable in the long-term (Cedar Valley Manor, Mission, BC).
- Promote tiny lots/micro-units. Examples:
 - Second Ave, Smithers, BC: Includes six houses on four lots facing a veranda instead of a six-plex and reducing parking requirements. The affordable rental units (540 sf.) rent for \$750 per month, lower than most of the surrounding area.
- Enhancing modular/manufactured/mobile homes supply. Examples:
 - Baker Gardens, Cranbrook, BC: It is one of the largest modular housing developments to be built in British Columbia for low-income seniors (55+ years) under Canada's Economic Action Plan (CEAP). It includes 36 one-storey, one-bedroom homes, built in groups of four, with Federal and Provincial assistance of \$4.9 million.
- Utilize incentives: Density bonus, tax exemptions, fee exemptions, expedited approvals, DCC exemptions, etc.

The following tables display housing programs for market and non-market housing. These are best practice examples from communities from across Canada that face similar housing challenges as North Cariboo and City of Quesnel.

Quesnel: Housing Needs Assessment, Gap Analysis and Action Plan

Program Name	Program #1 Loreen Place, Victoria, BC	Program #2 Whistler Housing Authority, Whistler, BC	Program #3 Attainable Home Ownership Program, Calgary, AB	Program #4 Clarence Gate, Ottawa, ON	Program #5 Cedar Valley Manor, Mission, BC	Program #6 Carey Place, Saanich BC
Target Group	Low and moderate families with annual income less than \$65,000	Resident employees and retirees	Moderate income households earning 80%-120% of area median income (\$80,400)	Low income households with annual income between \$31,000 and \$48,000	Seniors who want to downsize	Moderate- and low-income independent seniors aged 55 and older
Number & Type of Units	52 units (51 two-bed and 1 one-bed rental units)	1906 units (865 rental and 1,041 owner-occupied units)	48 units (11 one-bed, 110 two-bed and 37 three-bed units)	30 units (5 one-bed, 9 two-bed and 16 three-bed units with 11 market, 19 non-market)	42 units (with life leases)	55 one-bed units (27 of the total are for low-income seniors and the rest are rented at slightly lower than the market rate)
Key Municipal Tools Used	<ul style="list-style-type: none"> Capital grants from affordable housing trust funds Increased density Housing agreements Parking variance 	<ul style="list-style-type: none"> Employee housing service charge Municipal housing authority Municipal housing reserve fund 	<ul style="list-style-type: none"> Gifted down payment City-owned non-profit Shared appreciation structure Transfer of City-owned land 	<ul style="list-style-type: none"> Waived municipal development fees Delayed payment of City-owned land 	<ul style="list-style-type: none"> Waived municipal amenity contribution fees for rezoning Donated land that allows residents to walk to a nearby park 	<ul style="list-style-type: none"> Capital Regional District provided land on a long-term lease for \$1 a year and received ownership of six market units Property tax exemption
Project Partners	Greater Victoria Housing Society Greater Victoria Rental Development Society District of Victoria CRD BC Housing CMHC	The Whistler Housing Authority CMHC Whistler employers	Province and the City	CAHDCO CCOC CMHC City of Ottawa Land owners Bank of Montreal	Mission Association for Seniors Housing (MASH) Terra Lumina Life Lease Housing (private sector)	Government of Canada (CMHC) Government of British Columbia (BC Housing) Capital Regional District of Saanich
Project details	Seed Funding and an interest-free Proposal Development Funding (PDF) loan from CMHC. Equity contributions of \$370,000 each from the Victoria Affordable Housing Fund and the Capital Regional District Housing Trust Fund. Mortgage financing of \$9.6 million facilitated by the Province through its Community Partnership Initiative.	Whistler uses the Employee Housing Service Charge Fund to fund affordable housing for the community's permanent tourism employees. The charge is levied on projects that increase the number of employees. It uses a housing agreement with the right of first refusal and equity gains tied to Canadian CPI	Attainable Homes holds restrictive Covenant on title. Equity gains are tied to market and also based on years of ownership: Year 0-1, 0%; year 1-2, 25%; year 2-3, 50%; year 3+, 75% The program is designed to be self-funding and will not require additional subsidy to develop additional 'attainable' units.	Restrictive covenant on title and equity gains tied to Canadian Consumer Price Index.	When selling, the owner gets 95 per cent of the original value. If the unit's value has gone up, then the seller receives up to half of the difference—the exact amount depends on the length of ownership. MASH re-marks the unit with a resale prices no more than half of the market index	The affordable apartments were created with capital funding of more than \$4 million from the federal and provincial governments, including \$2 million in federal funding through Canada's Economic Action Plan.

Table 34: Project examples: Housing for low to moderate income families and seniors

Quesnel: Housing Needs Assessment, Gap Analysis and Action Plan

Program Name	Program #7 Chesterfield House, North Vancouver, BC	Program #8 HYAD Place, North Vancouver, BC	Program #9 Commercial Drive Apartments, Vancouver, BC	Program #10 The Cedars, Salt Spring Island, BC	Program #11 Timber Grove Apartments, Surrey, BC	Program #12 Willowbridge Transitional Housing, Kelowna, BC
Target Group	Mental health clients	Young adults with development disabilities	Adults living with mental health challenges	Low-income senior women and women affected by domestic violence	Mental health clients, homeless and those at risk of homelessness	People who are homeless or at risk of being homeless and people with health issues
Number & Type of Units	24 units (10 studio, 8 one-bed and 6 two-bed units)	16 units (one-bed units with 14 units for young adults with developmental disabilities and two for staff)	18 units (affordable rental apartments in a renovated 1960's walkup with a rent of \$375 per month)	Three bedrooms for senior women, eight transitional suites for women and children	52 units (studio apartments)	40 units (studio apartments)
Key Municipal Tools Used	<ul style="list-style-type: none"> Affordable housing reserve fund Increased density Preservation of existing rental units Infill development Reduced parking 	<ul style="list-style-type: none"> Donated land 	<ul style="list-style-type: none"> Housing Grant (\$150,000) 		<ul style="list-style-type: none"> Provincial-municipal MOU Long-term lease of District-owned land Waiver of development fees Property Tax Relief 	<ul style="list-style-type: none"> Donated land valued at over \$560,000
Project Partners	District of North Vancouver BC Housing Marine view Housing Society	Government of Canada (CMHC) Government of British Columbia (BC Housing) District of North Vancouver North Vancouver School District Terra Housing Consultants	Government of Canada (CMHC and HRSDC) Province of British Columbia (BC Housing) District of Vancouver	Salt Spring Island Abbeyfield Housing Society Island Women Against Violence Society CMHC BC Housing CRD Salt Spring Lions Club Salt Spring Island Foundation Private donors	District of Surrey BC Housing VANOC Fraser Health Coast Mental Health	Government of Canada (CMHC) BC Housing District of Kelowna Canadian Mental Health Association John Howard Society of Central and South Okanagan
Project details	Total capital cost of nearly \$4.34 million, with \$2.50 million for the purchase price of 16 units and land and \$1.8 million for upgrades and addition of 9 units. Of the total, District of North Vancouver Affordable Housing Reserve Fund provided \$1.625 million, BC Housing provided \$1.625 million and Marineview Housing Society provided \$1.050 million.	CMHC provided Seed Funding and BC Housing provided roughly \$5.3 million in provincial capital funding to the project, while HYAD Society provided \$166,000 in equity. The land valued at over \$1.1 million was obtained from the North Vancouver School District, with the assistance of the District of North Vancouver.	CMHC provided RRAP funding of \$800,000 for renovations, and Human Resources and Skills Development Canada (HRSDC) contributed \$500,000 through the Homelessness Partnering Strategy. The Province of BC provided over \$1 million in interim financing from its Community Partnerships Initiative. Coast Mental Health provided roughly \$700,000 in equity	The \$1.35 million project received funding of \$280,000 from the federal and provincial governments. Further funding was provided by the Government of British Columbia, the Capital Region District, the Salt Spring Lions Club and the Salt Spring Island Foundation. The two non-profit organizations also provided cash equity of more than \$300,000.	Total capital cost of \$13.2 million. District of Surrey provided land on long-term lease for \$10 (valued at \$2.3 million) and waived fees and taxes (\$306,506). Fraser health provided a \$10.5 million capital grant and BC Housing provided a \$22,835 landscaping grant.	Total capital cost of nearly \$8.4 million, from all three levels of government. CMHC and BC Housing gave matching contributions of \$2.97 million each under the Canada-British Columbia Affordable Housing Program. The Government of B.C. also provided a grant of \$4.8 million and annual operating funding of nearly \$490,000.

Table 35: Project examples: Non-market housing for vulnerable populations

Focus areas:

- *Address market-rate housing needs*
- *Address non-market housing needs*
- *Enhance supply of rental housing*
- *Enhance housing affordability*
- *Maintain the quality of the current housing stock*
- *Facilitate development on vacant lands*
- *Prepare for anticipated growth in population aged 65 years and over*

9 Findings and focus areas

The community faces significant challenges in meeting its present and projected housing needs. North Cariboo and Quesnel have a number of similar housing needs, although the level of severity varies between the region and the municipality. Interdependence between the two entities is apparent in our findings. The findings from the analyses and surveys suggest the following major themes:

9.1 Address market-rate housing needs for all age cohorts

The need to address market-rate housing for all age cohorts is evident, with a particular focus on middle- to high-income young professionals, families, and seniors. Overall, North Cariboo is expected to display an additional net housing need for 25 owner-occupied and 11 renter-occupied housing units during the period 2016 – 2031. This housing need is likely to be distributed between two demographic segments, i.e. with household maintainers in 35 – 44 years (middle-age family households) and households with maintainers 65 years and over (senior households).

In North Cariboo, households with maintainers 35 - 44 years old and maintainers 65 years and over are expected to experience a housing need. Households with 35 – 44 year old maintainers are expected to amount to 89 new net owner-occupied housing units and 16 new renter-occupied units. Senior households (with maintainers in 65 years or over) are expected to display a housing need for 617 new owner-occupied housing units and 3 new renter-occupied units.

There will be a contraction in demand among households with maintainers in the 45 years to 64 years age-group. The net total loss from this cohort is 583 households.

Quesnel and North Cariboo share some similar projected population trends. In Quesnel, the study finds that middle-age households (with maintainers 35 - 44 years old) are expected to display a housing need for 53 new owner-occupied housing units and 34 new renter-occupied units. Also, senior households are expected to display a housing need for 507 new owner-occupied housing units and 114 new renter-occupied units.

As in North Cariboo, there will be a contraction in demand among households with maintainers in the 45 years to 64 years age-group. The net total loss from this cohort is 406 households.

The expanding and contracting demographic segments present two possible housing preference demands. The young to middle-age households are expected to demand homes suitable for raising children, which may either be owned detached dwellings or two- to three-bedroom rental units depending on future preferences and prices. The senior households are more likely to display demand for smaller owner-occupied housing and affordable rental housing.

The anecdotal data that centres on trends cannot be substantiated to make accurate population projections, such as the trend observed by many stakeholders of young workers and professionals (ages 34 or younger) relocating to Quesnel. Quesnel offers a lifestyle that appeals to many younger household maintainers, so the increase in this population is feasible. The consultant is confident the data will be able to be revaluated in five to ten years in order to capture the number of households with younger household maintainers that are moving to Quesnel, at which point accurate population projections may be possible.

9.2 Address non-market housing needs

North Cariboo will find much of its non-market housing needs met within the municipality. The municipality currently has an inventory of roughly 345 non-market units or 3 percent of the total occupied housing stock (4,405 in 2016).

Due to the aging demographic of the community's population, there will continue to be increasing demand for already scarce affordable units that are appropriate for seniors or older adults that want to age-in-place. The expected increase in the share of the population aged 65 years and over in Quesnel will likely increase the need for more seniors housing as well as assisted living.

The municipality has 15 emergency shelter beds and 8 transitional housing units and is expected to have a need for roughly a net increase of 2 emergency shelter beds and 2 more transitional housing units by 2031 if current levels of need remain stable as a share of the total households. These housing needs will also require support services related to homeless outreach, homelessness prevention, women and children at risk of violence or who have experienced violence, individuals with addiction and substance use problems, individuals with mental and physical health conditions and/or other challenges that puts them at higher risk of homelessness. The reader should note that government-sponsored and subsidized housing is important to serve people with special needs but can only address a small portion of total housing demand.

The consultant notes that the following non-market housing developments are currently in the development process, and are poised to reduce projected non-market housing need for transitional and supportive housing:

- Elliott Street Supportive Housing (355 Elliot St) is estimated to complete in summer 2020. A total of 32 units of supportive housing will be available.

- Dakehl Housing (beside Milestone Manor on Front Street) is a clean and sobering house (i.e., transitional housing) with a planned total of 27 units. The development should be ready to break ground in fall 2019.
- Amata Transition House (location N/A) is a second stage housing (i.e., transitional housing) for women and children of violence with a planned total of roughly 12 units and a total of 139 new units over the course of 3 years. Funding has been approved for the project and the development is in the process of obtaining land.

The needs for supportive housing should be reassessed after the construction of the Elliot Street Supportive Housing complex is complete and future waitlists of this complex can signal the need for more supportive housing. Based on the data available, transitional and supportive housing needs are met with the addition these projects.

9.3 Enhance supply of rental housing

North Cariboo is largely rural in nature and lacks a robust rental housing market; in general, the urban form of the municipality is better suited to providing rental housing. Rental housing may be important for North Cariboo senior populations as transitioning from a large-lot single family dwelling to smaller dwellings that are easy to maintain with accessibility features is often an important part of the life cycle. Thus, similar to nonmarket housing, the municipality may be expected to serve much of the rental housing needs of North Cariboo.

The municipality is facing an extremely tight rental housing market. Interviews with the stakeholders and municipal staff has also suggested that there is a limited supply of rental housing in the community. As a result, overall rents have significantly increased and several households are facing significant difficulty in securing appropriate housing.

The municipality contained 4,390 occupied housing units in 2016, of which 1,605 units were renter-occupied (2016 Census). Much of the rental units are in lowrise apartments, row houses, duplexes, and mobile homes. The remainder are to be located in single-family and semi-detached homes. Further, the municipality has added only added 111 apartment units and 27 duplex/triplex/fourplex dwelling units during 2006 – 2018 (based on residential permit data), which is expected to be insufficient for addressing the pent-up demand from previous years.

9.4 Enhance housing affordability

The study finds that single-detached homes in the community have a median price of \$276,500, and thus will not be affordable to 45 percent of the households in the community. Duplex and other attached townhouse units will not be affordable to 20 percent of total households. Mobile homes are not affordable to 6 percent of households in the community, while apartments are the most affordable housing products and will be affordable for 97 percent of households.

The households who are unable to afford to buy their primary home are likely to rent and put additional pressure on the rental market for smaller and more affordable units that are already in short supply, creating additional upward pressure on rental rates. This would create a domino

effect on renter-households and more vulnerable populations, including seniors and low-income households, who are already frustrated by the lack of affordable units available on the market. These affordability issues are further exacerbated for the more vulnerable populations, including homeless and people with addictions and mental health issues.

9.5 Maintain the quality of current housing stock

The study finds that roughly 11 percent of the housing stock in North Cariboo needs major repairs, and roughly 9 percent of the housing stock in the municipality needs major repairs; significantly higher than the provincial rate (6%). This is not surprising considering that roughly 57 percent of the total housing stock in North Cariboo and 63 percent in the municipality was built prior to 1980. In contrast, only 44 percent of the housing stock in the Province was built before 1980. This is also consistent with the findings from the survey and feedback from stakeholders, which suggest that the rates of dwellings that require major repair may be higher than what the Census reports.

Thus North Cariboo and the municipality would benefit from policies that support major repairs to its housing stock, especially lower-income households needing help repairing and maintaining their homes. In addition, North Cariboo and the municipality would benefit by closely monitoring and even assisting owners providing affordable rental housing in maintaining the condition of existing rental stock. This is especially important as rental units are more likely to require major repairs compared to single-family units.

9.6 Facilitate development on vacant lands

The study finds that North Cariboo's land utilization analysis shows that the zone with the highest under-utilization is 29 percent for R 2. Encouraging more density on these lands would be a better use of CRD land and resources in North Cariboo.

The study finds that 180 parcels or roughly 28 percent of the RS-1 zoned parcels are vacant. This represents roughly 271 acres of land. These RS-1 zoned parcels could potentially represent opportunities for augmenting housing supply in the short-run, assuming that no major land development issues affect these parcels. Also, roughly 203 and 231 acres of RR-1 and CR-1 zoned lands respectively are vacant and represent 6 and 10 percent of the total vacant parcels in the municipality.

The findings also suggest that most of the RS-3, RM-1, RM-2, RM-3 and RM-4 zoned lands are adequately utilized and that the municipality would benefit by augmenting these zoning categories. However, there are 87 vacant RS-2 zoned parcels which might provide some opportunities for developing duplex dwellings in the short-run. RM-2 has 17 vacant parcels, and this zoning category has witnessed significant development activity in recent years which has resulted in some of the most affordable housing units in the municipality. The municipality will be well served by facilitating a greater diversity of dwelling types on vacant and under-utilized lands.

The study includes a housing development analysis for six properties and details the costs and affordability of various potential types of housing developments. The analysis shows there is potential for small-scale, urban development as well as large-scale more rural development options to cover the diverse housing needs of the region.

9.7 Prepare for anticipated growth in population aged 65 years and over

North Cariboo is expected to display a net increase of roughly 5 households on an annual basis or a net increase of 72 households during 2016 - 2031. The distribution of this household growth by the age of primary household maintainer is provided below:

- Householders 35-44 years old: a net increase of 105 households, with 89 owner households and 16 renter households
- Householders 65 years old and over: a net increase of 459 households, with 491 owner households and 114 renter households

The municipality is expected to display an increase of 101 households on an annual basis or a net increase of 304 households during 2016 - 2031. The distribution of this household growth by the age of primary household maintainer is provided below:

- Householders 35-44 years old: a net increase of 87 households, with 53 owner households and 34 renter households
- Householders 65 years old and over: a net increase of 713 households, with 507 owner households and 206 renter households

Both North Cariboo and Quesnel are projected to have significant loss in the 45 – 64 age cohort.

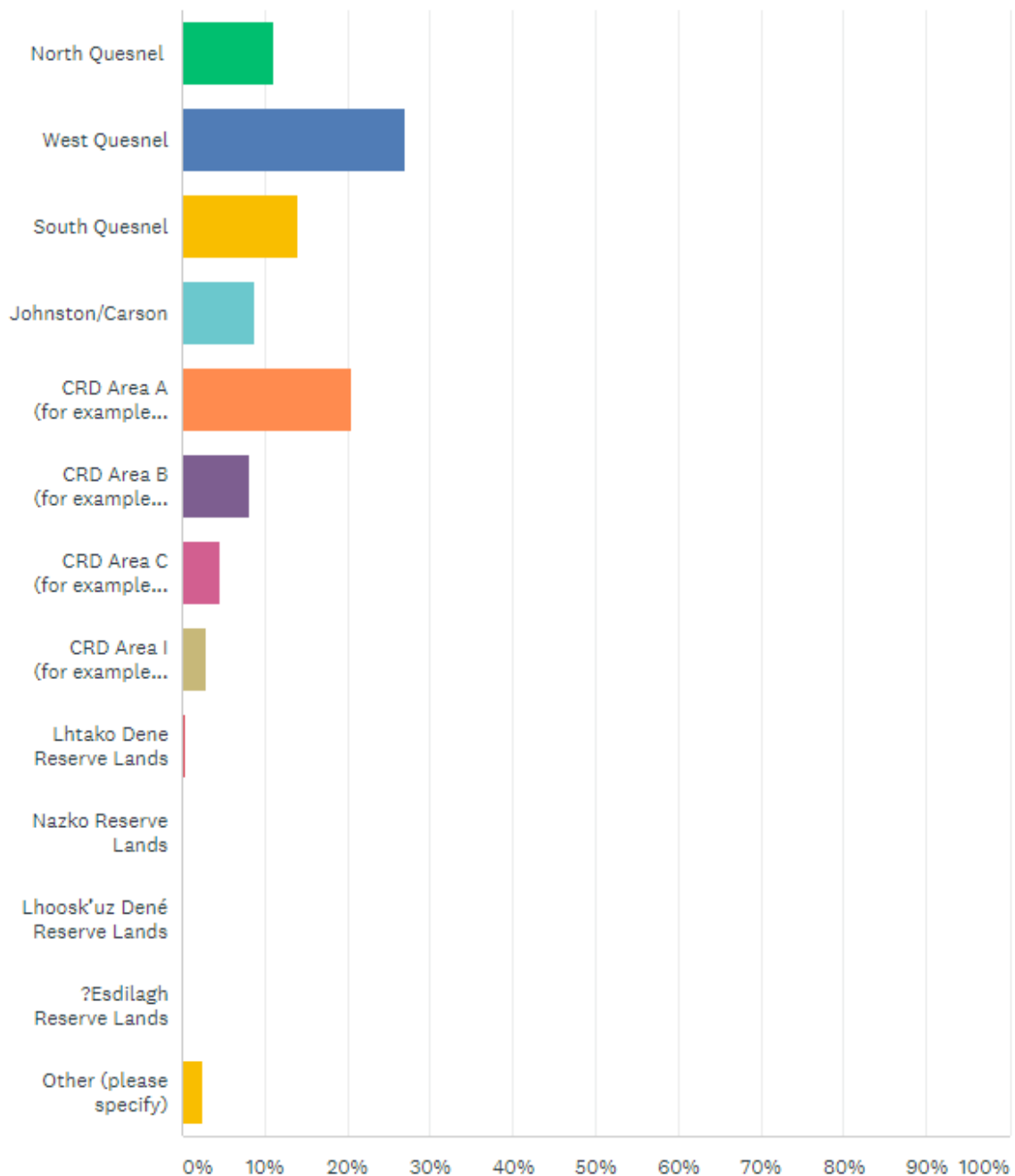
9.8 Conclusion

Over the past few months the consultant has analyzed the demographic, socio-economic, and housing characteristics of North Cariboo and the City of Quesnel. In addition, the consultant has conducted comprehensive stakeholder consultation and a survey of the study area, including the City of Quesnel, and households living in Cariboo Regional District Electoral Area A, B, C and I to identify some of the pressing housing needs of the community. The findings from the above analyses and consultation was then used to develop a comprehensive Housing Action Plan (HAP) for the community, located in section 3 of this report.

Appendix 1: Online Survey Findings

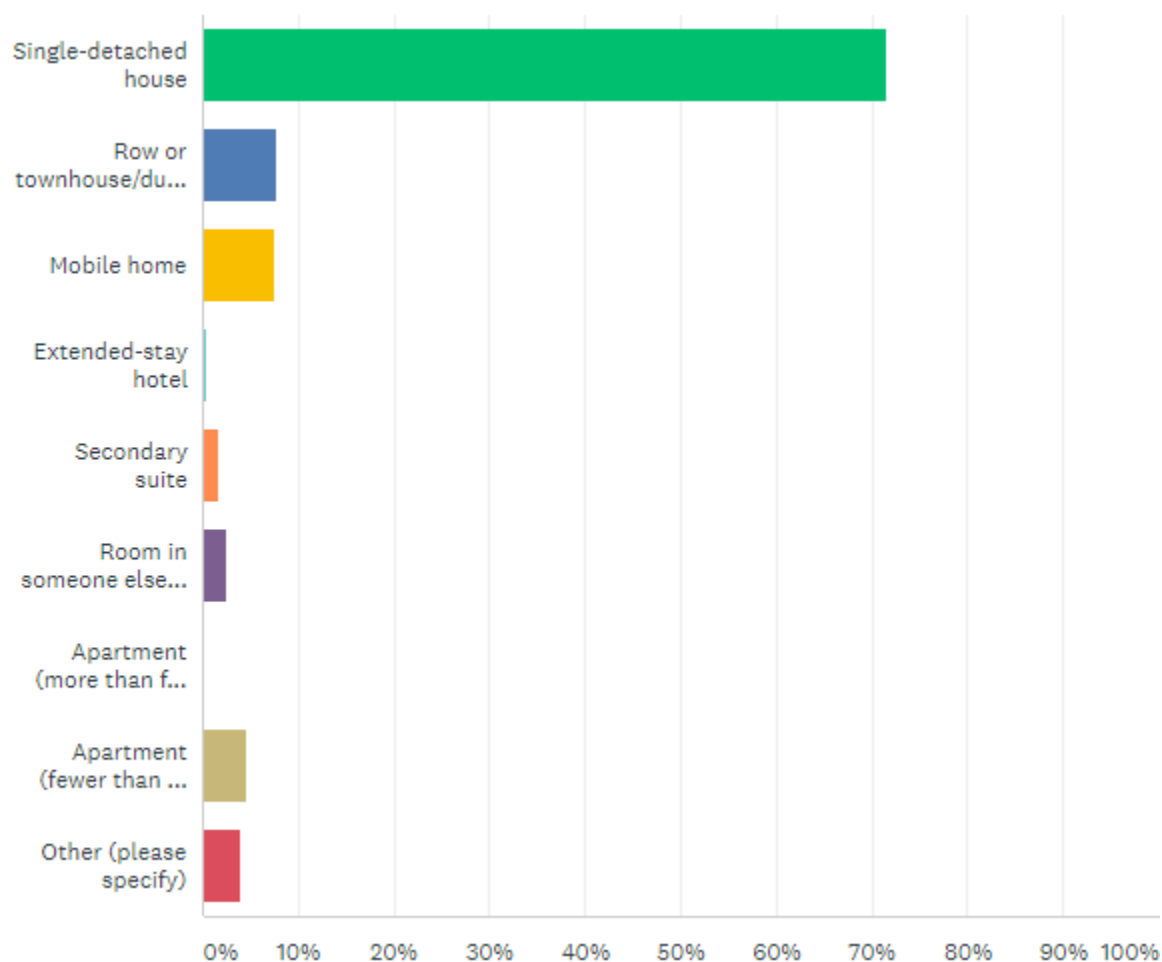
Urbanics conducted an online survey of the residents to gain additional insights related to housing needs in the City of Quesnel, neighbouring Electoral Areas A, B, C and I and the First Nations communities. The survey received a combined total of 527 responses out of a population of roughly 23,146 in the study area. This represents a statistically significant sample size with a confidence level of 95 percent and a margin of error of 4.3 percent. Thus, findings from the survey can be expected to be representative of the housing needs in the study area.

Q1: Where do you reside now? Please choose the answer that best fits your situation.



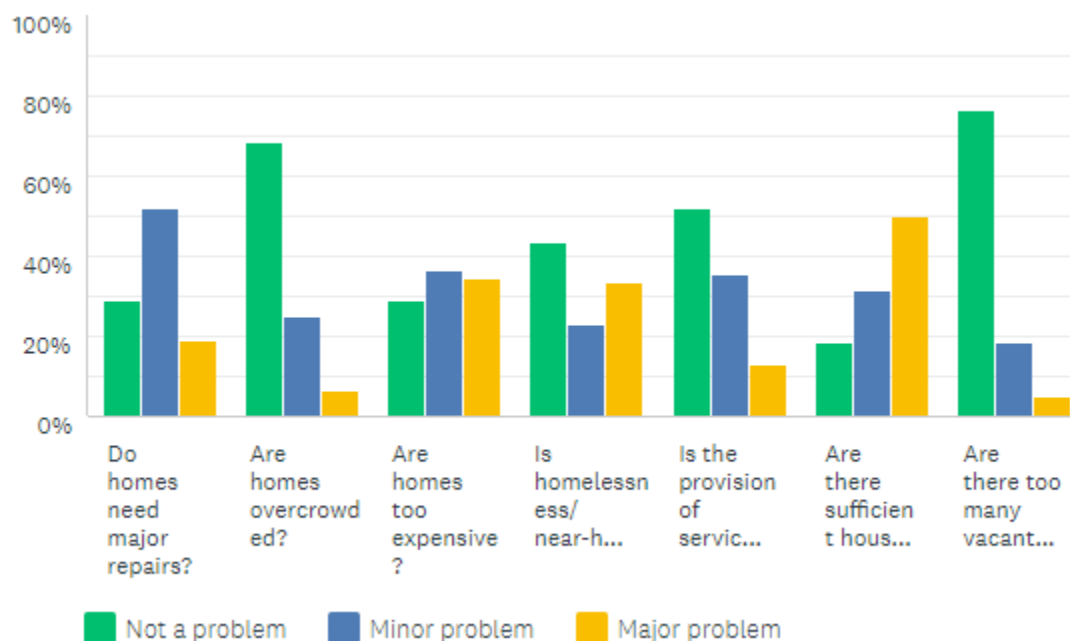
ANSWER CHOICES	▼	RESPONSES
▼ North Quesnel		11.11%
▼ West Quesnel		27.01%
▼ South Quesnel		13.98%
▼ Johnston/Carson		8.81%
▼ CRD Area A (for example, this includes Red Bluff, Kersley)		20.50%
▼ CRD Area B (for example, this includes Ten Mile Lake)		8.24%
▼ CRD Area C (for example, this includes Barlow Creek)		4.60%
▼ CRD Area I (for example, this includes West Fraser)		2.87%
▼ Lhtako Dene Reserve Lands		0.38%
▼ Nazko Reserve Lands		0.00%
▼ Lhoosk'uz Dené Reserve Lands		0.00%
▼ ?Esdilagh Reserve Lands		0.00%
▼ Other (please specify)	Responses	2.49%
TOTAL		

Q2: Which of the following best describes your current dwelling type?



ANSWER CHOICES	RESPONSES
▼ Single-detached house	71.46%
▼ Row or townhouse/duplex/triplex/etc.	7.66%
▼ Mobile home	7.47%
▼ Extended-stay hotel	0.38%
▼ Secondary suite	1.72%
▼ Room in someone else's home	2.49%
▼ Apartment (more than five storey)	0.19%
▼ Apartment (fewer than 5 storeys)	4.60%
▼ Other (please specify)	Responses 4.02%

Q3: What are some of the pressing housing issues in your neighbourhood?

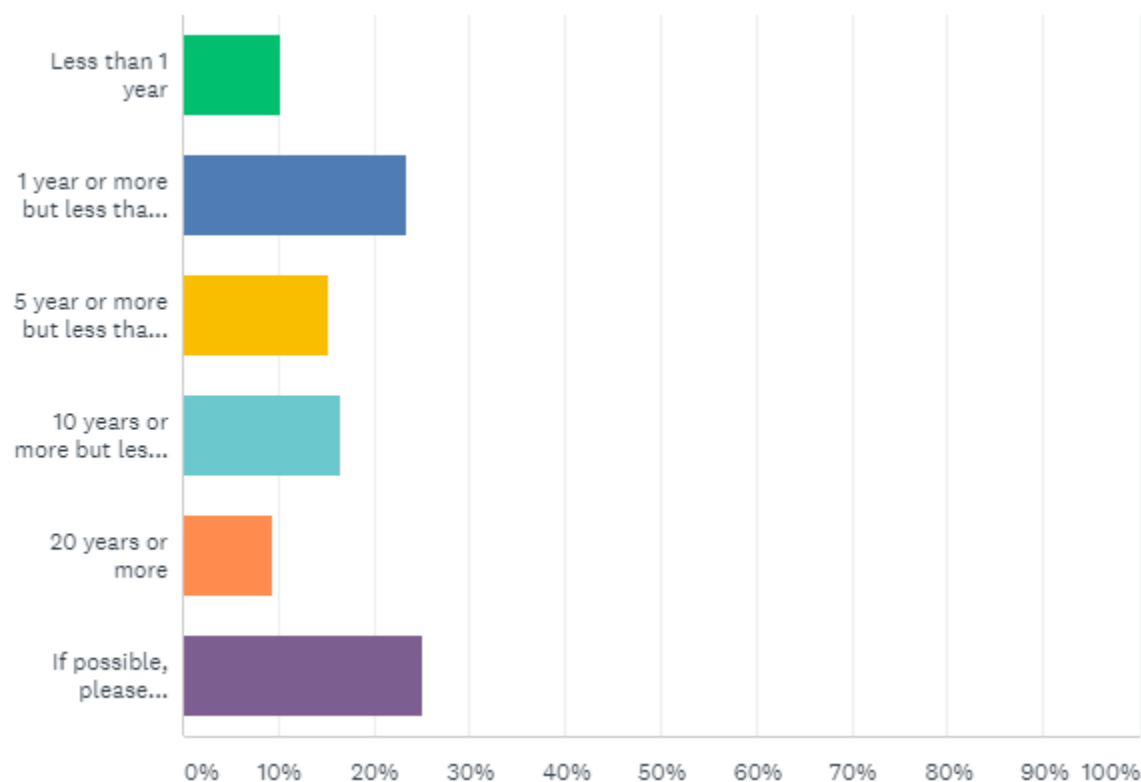


	NOT A PROBLEM	MINOR PROBLEM	MAJOR PROBLEM
▼ Do homes need major repairs?	28.96% 148	51.86% 265	19.18% 98
▼ Are homes overcrowded?	68.39% 344	25.05% 126	6.56% 33
▼ Are homes too expensive?	29.19% 148	36.29% 184	34.52% 175
▼ Is homelessness/ near-homelessness a problem?	43.56% 220	22.97% 116	33.47% 169
▼ Is the provision of services (roads, sewer, water and electricity) an issue?	51.76% 265	35.35% 181	12.89% 66
▼ Are there sufficient housing options for different people with different needs (ex. single people, elders, families, etc.)?	18.43% 94	31.37% 160	50.20% 256
▼ Are there too many vacant lots in the neighbourhood?	76.34% 384	18.69% 94	4.97% 25

Q4: How many people, including you, currently live in your household within the following age groups?

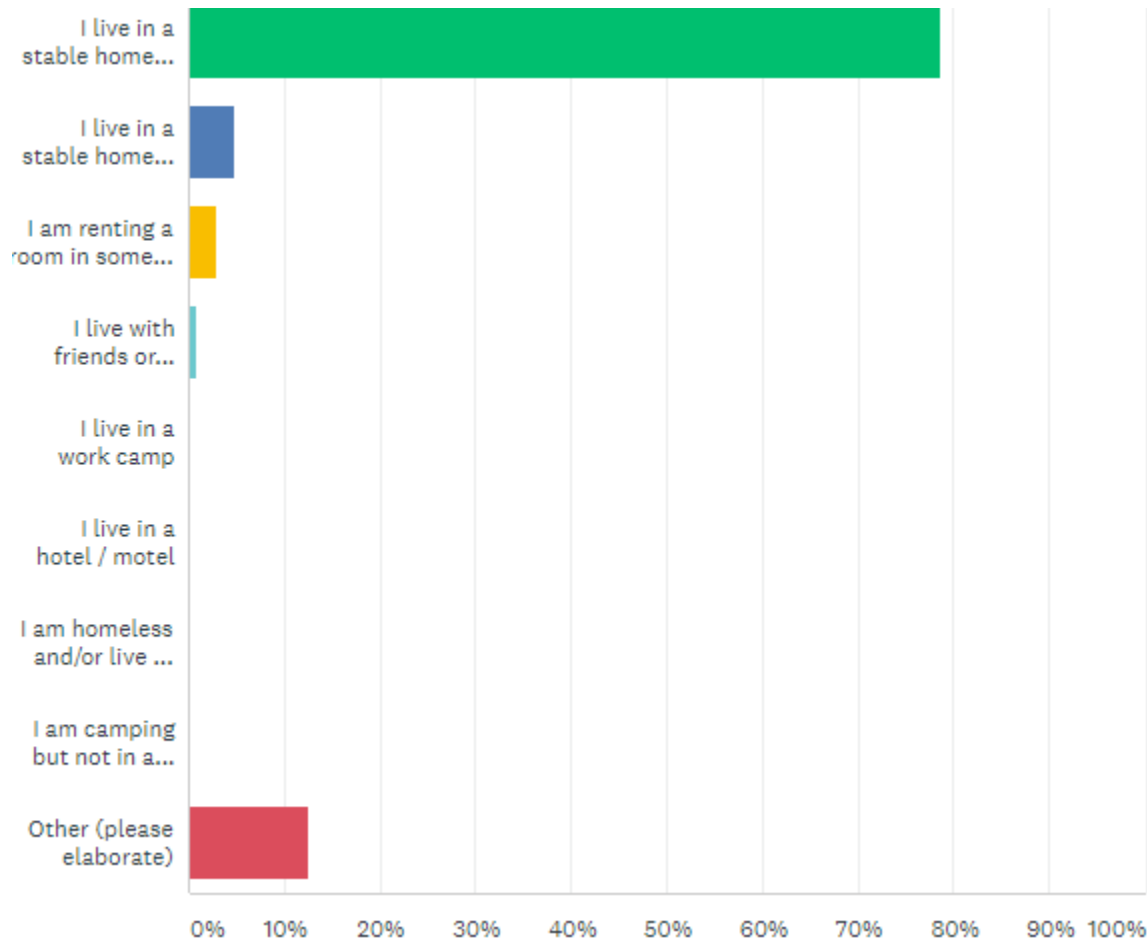
ANSWER CHOICES		RESPONSES
14 years or less	Responses	41.36%
15 - 34 years	Responses	54.95%
35 to 64 years	Responses	71.26%
65 years and over	Responses	28.74%

Q5: How many years have you lived in your current home?



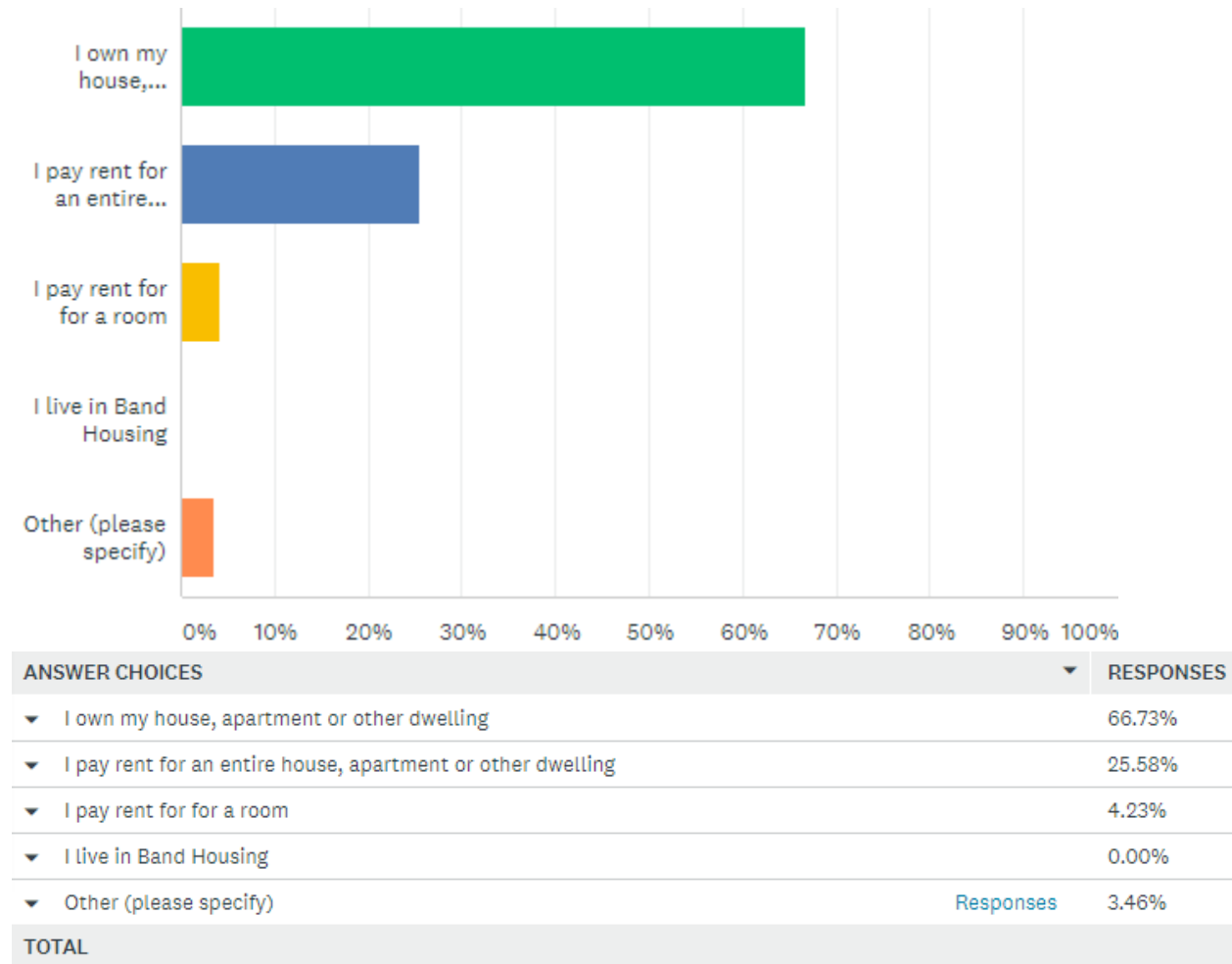
ANSWER CHOICES		RESPONSES
▼ Less than 1 year		10.25%
▼ 1 year or more but less than 5 years		23.40%
▼ 5 year or more but less than 10 years		15.28%
▼ 10 years or more but less than 20 years		16.44%
▼ 20 years or more		9.48%
▼ If possible, please elaborate on why you have lived in your current dwelling for this length of time.	Responses	25.15%
TOTAL		

Q6: What is your current living arrangement?



ANSWER CHOICES	RESPONSES
▼ I live in a stable home with family	78.60%
▼ I live in a stable home with roommates	4.86%
▼ I am renting a room in someone else's home	2.92%
▼ I live with friends or family on a temporary basis (couch-surfing, etc.)	0.78%
▼ I live in a work camp	0.00%
▼ I live in a hotel / motel	0.19%
▼ I am homeless and/or live in a shelter	0.00%
▼ I am camping but not in a work-camp	0.19%
▼ Other (please elaborate)	Responses 12.45%
TOTAL	

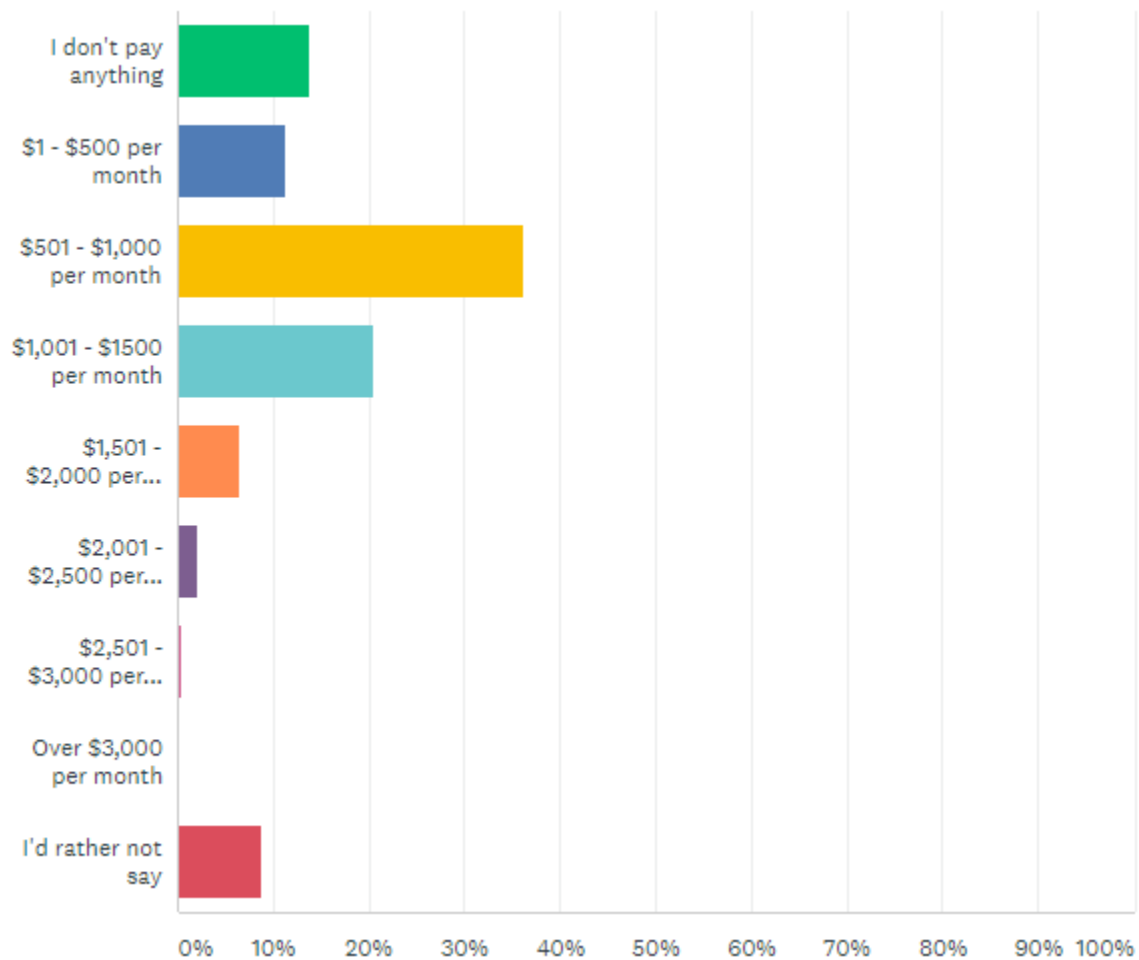
Q7: Do you own or rent the place where you live?



Q8: What is the size of your home?

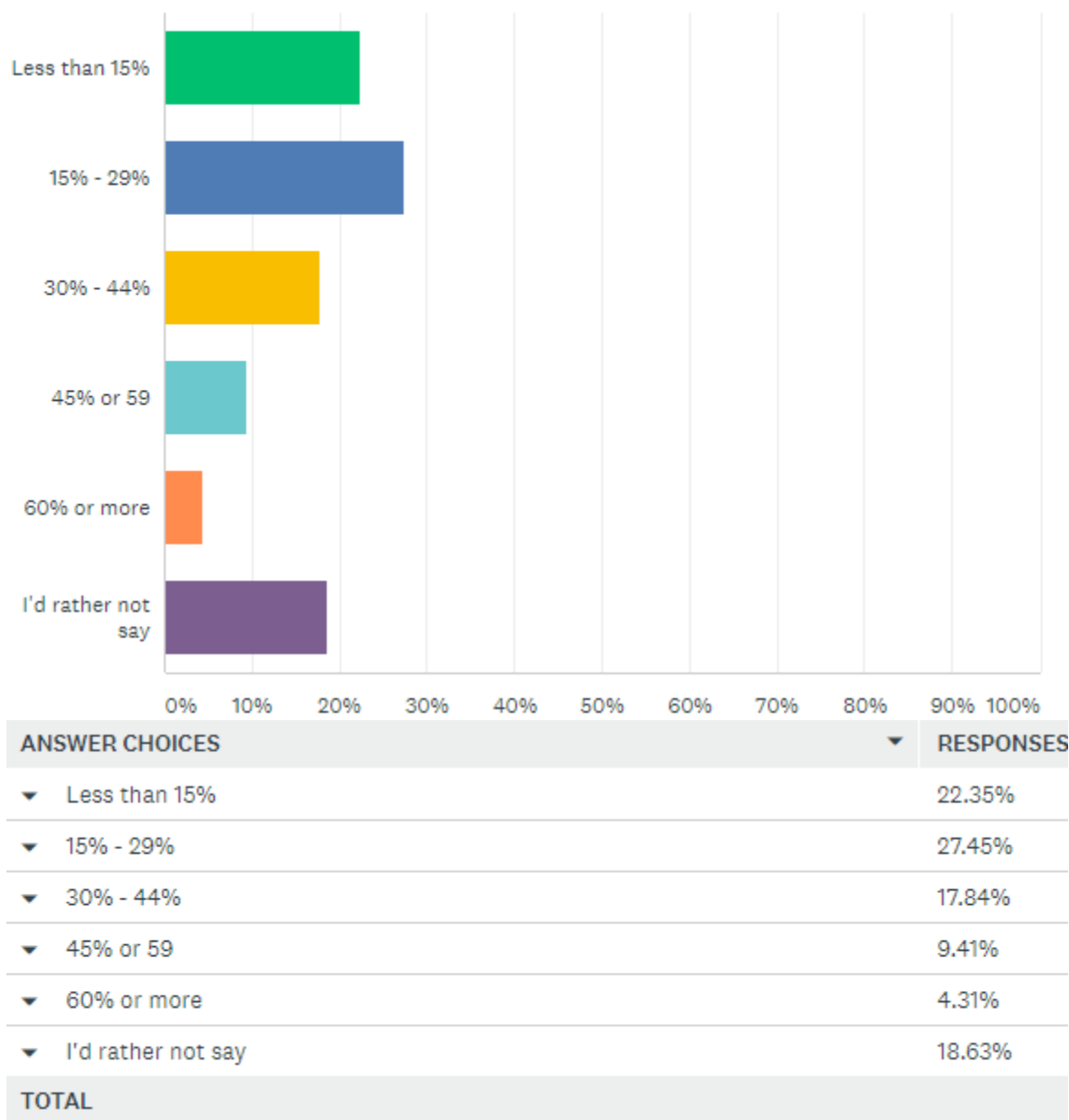
ANSWER CHOICES	AVERAGE NUMBER
Number of Bedrooms	3
Number of Full Bathrooms (whole numbers only)	4
Approximate square feet	1,815
What year was your home built?	1,988

Q9: What do you pay for housing per month, excluding utilities?

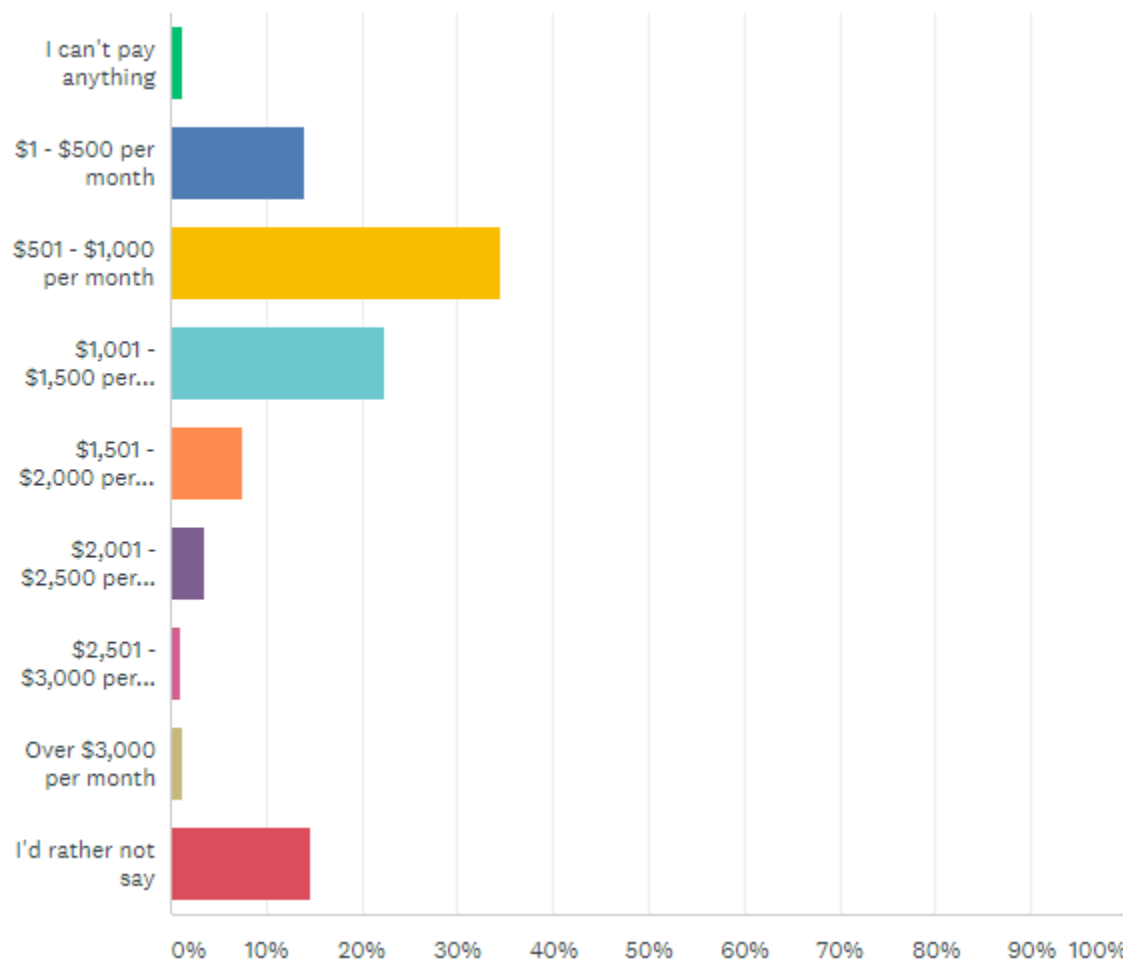


ANSWER CHOICES	RESPONSES
▼ I don't pay anything	13.90%
▼ \$1 - \$500 per month	11.39%
▼ \$501 - \$1,000 per month	36.10%
▼ \$1,001 - \$1500 per month	20.46%
▼ \$1,501 - \$2,000 per month	6.56%
▼ \$2,001 - \$2,500 per month	2.12%
▼ \$2,501 - \$3,000 per month	0.39%
▼ Over \$3,000 per month	0.19%
▼ I'd rather not say	8.88%
TOTAL	

Q10: About what percentage of your before-tax income do you pay for your housing per month, excluding utilities?

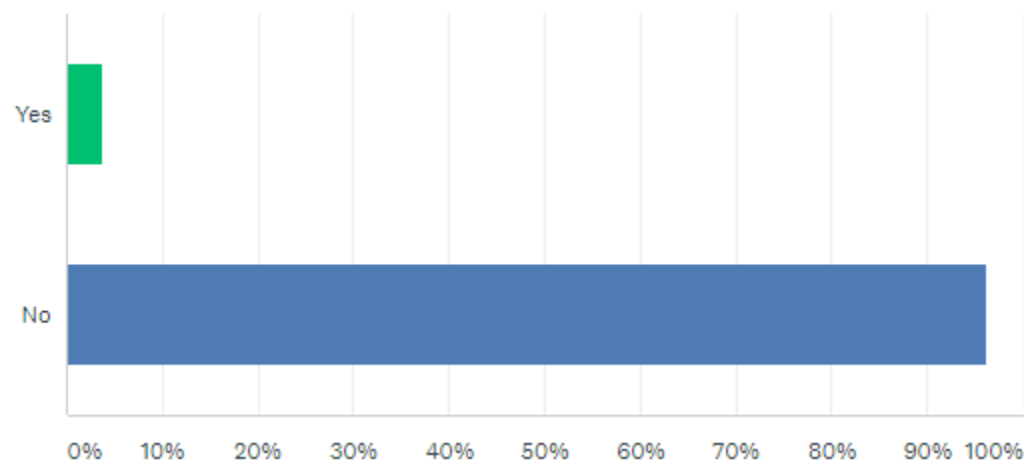


Q11: What do you pay for housing per month, excluding utilities?



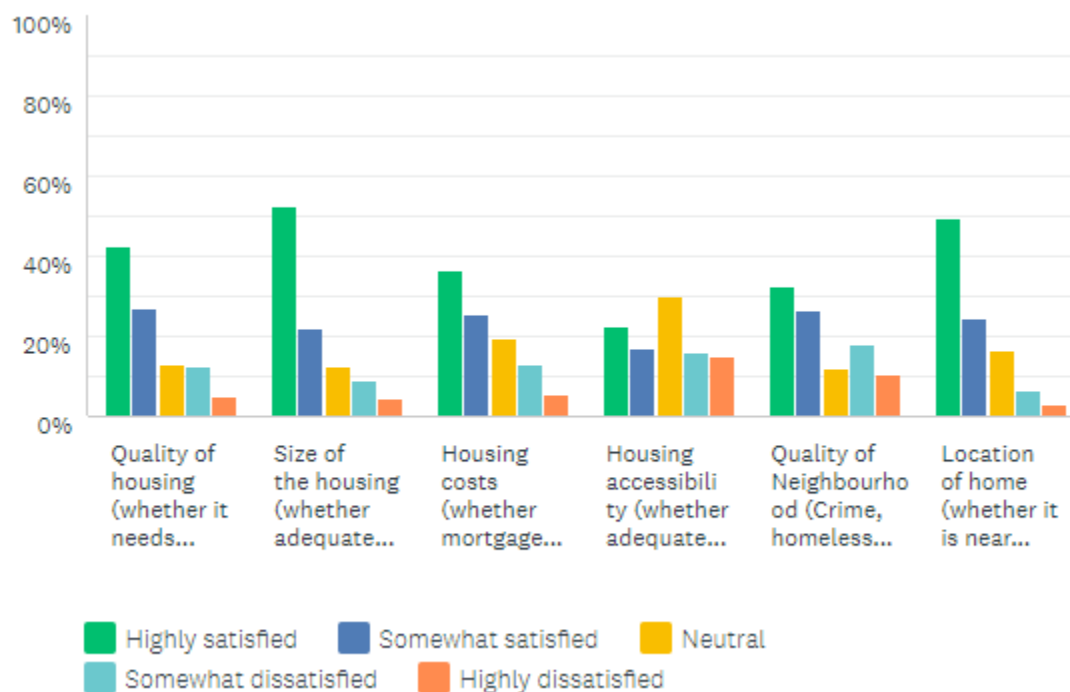
ANSWER CHOICES	RESPONSES
▼ I can't pay anything	1.35%
▼ \$1 - \$500 per month	13.93%
▼ \$501 - \$1,000 per month	34.43%
▼ \$1,001 - \$1,500 per month	22.44%
▼ \$1,501 - \$2,000 per month	7.54%
▼ \$2,001 - \$2,500 per month	3.48%
▼ \$2,501 - \$3,000 per month	0.97%
▼ Over \$3,000 per month	1.16%
▼ I'd rather not say	14.70%
TOTAL	

Q12: Is your rent or housing cost subsidized or reduced by a government or charitable organization?



ANSWER CHOICES	RESPONSES
▼ Yes	3.68%
▼ No	96.32%
TOTAL	

Q13: How satisfied are you with your current living conditions?

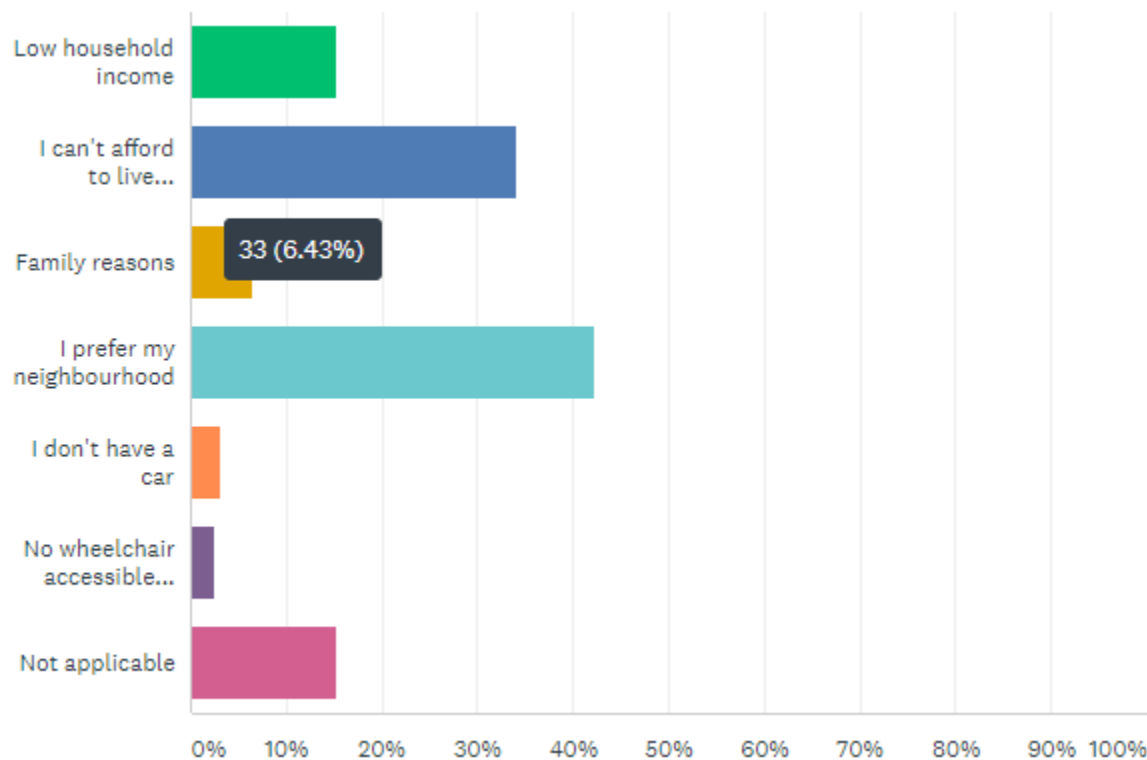


Quesnel: Housing Needs Assessment, Gap Analysis and Action Plan

	HIGHLY SATISFIED	SOMEWHAT SATISFIED	NEUTRAL	SOMEWHAT DISSATISFIED	HIGHLY DISSATISFIED
▼ Quality of housing (whether it needs repairs etc.)	42.58% 221	27.17% 141	12.91% 67	12.33% 64	5.01% 26
▼ Size of the housing (whether adequate for household)	52.44% 269	21.83% 112	12.48% 64	8.77% 45	4.48% 23
▼ Housing costs (whether mortgage payment / rental payment is affordable)	36.61% 186	25.39% 129	19.69% 100	12.99% 66	5.31% 27
▼ Housing accessibility (whether adequate for disabled people)	22.29% 113	16.77% 85	29.98% 152	16.17% 82	14.79% 75
▼ Quality of Neighbourhood (Crime, homelessness etc.)	32.42% 166	26.56% 136	12.11% 62	18.16% 93	10.74% 55
▼ Location of home (whether it is near grocery stores and important retail centers)	49.51% 254	24.56% 126	16.37% 84	6.63% 34	2.92% 15

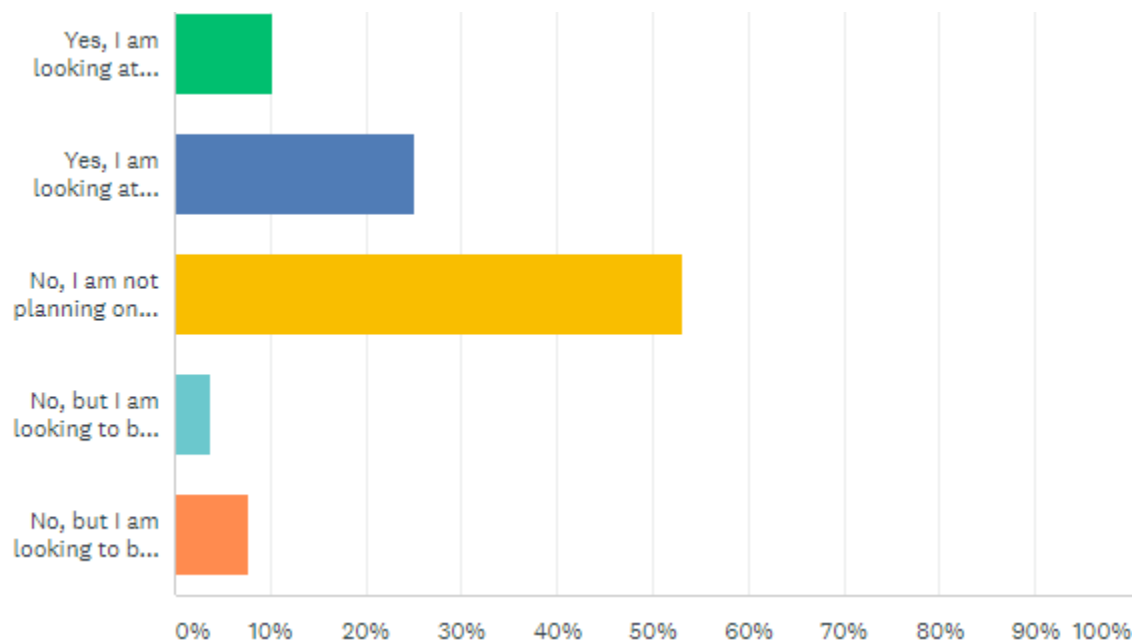
Comments (0)

**Q14: What are the barriers, if any, that keep you from moving to other neighbourhoods?
(choose all that apply)**



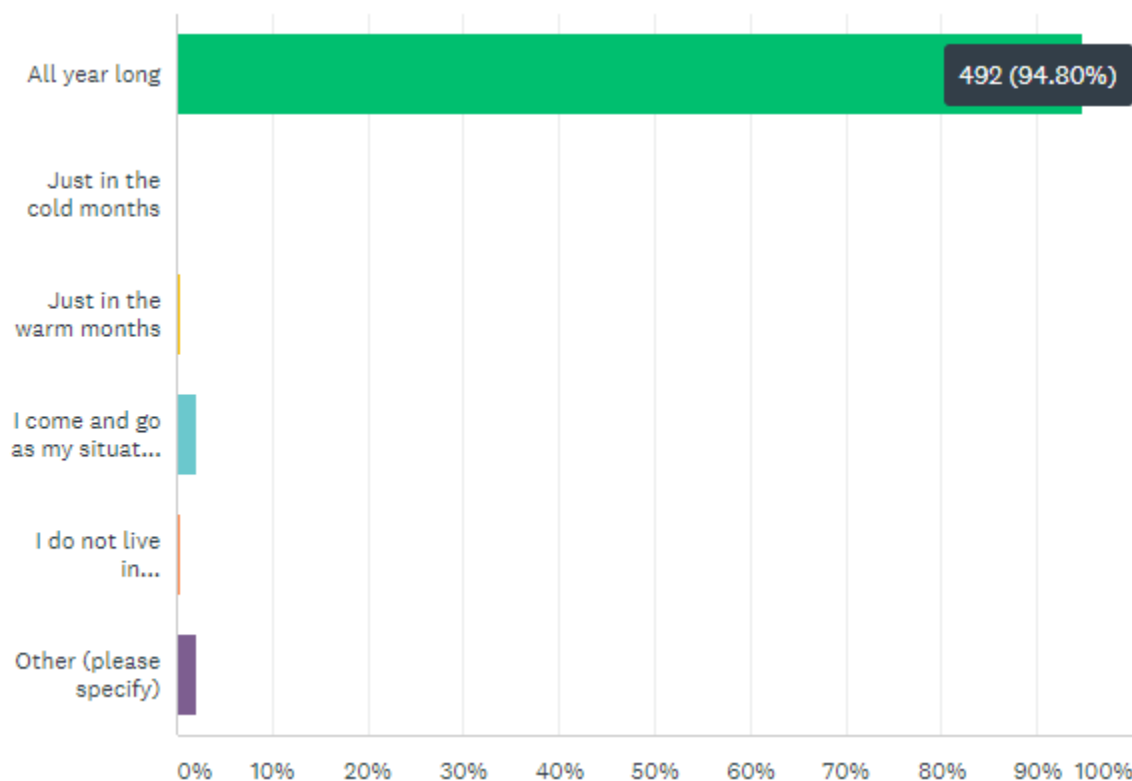
ANSWER CHOICES	RESPONSES
▼ Low household income	15.20%
▼ I can't afford to live anywhere else	34.11%
▼ Family reasons	6.43%
▼ I prefer my neighbourhood	42.30%
▼ I don't have a car	3.12%
▼ No wheelchair accessible housing (or no housing that meets my mobility needs) available	2.53%
▼ Not applicable	15.20%
Total Respondents: 513	

Q15: Are you looking to rent or buy a home in the Quesnel area within the next two years?



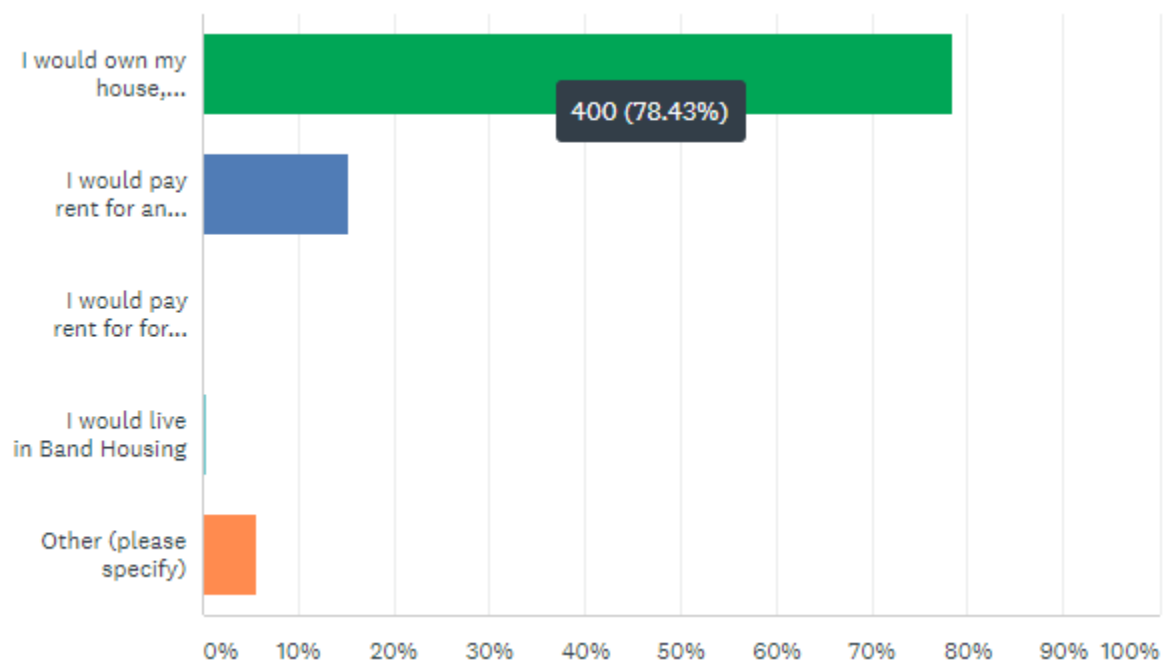
ANSWER CHOICES	RESPONSES
▼ Yes, I am looking at renting a home	10.18%
▼ Yes, I am looking at buying a home	25.15%
▼ No, I am not planning on buying / renting a home	53.09%
▼ No, but I am looking to buy a home somewhere else within North Cariboo	3.79%
▼ No, but I am looking to buy a home somewhere else (outside of North Cariboo)	7.78%
TOTAL	

Q16: How much of the year do you live in Quesnel or North Cariboo?



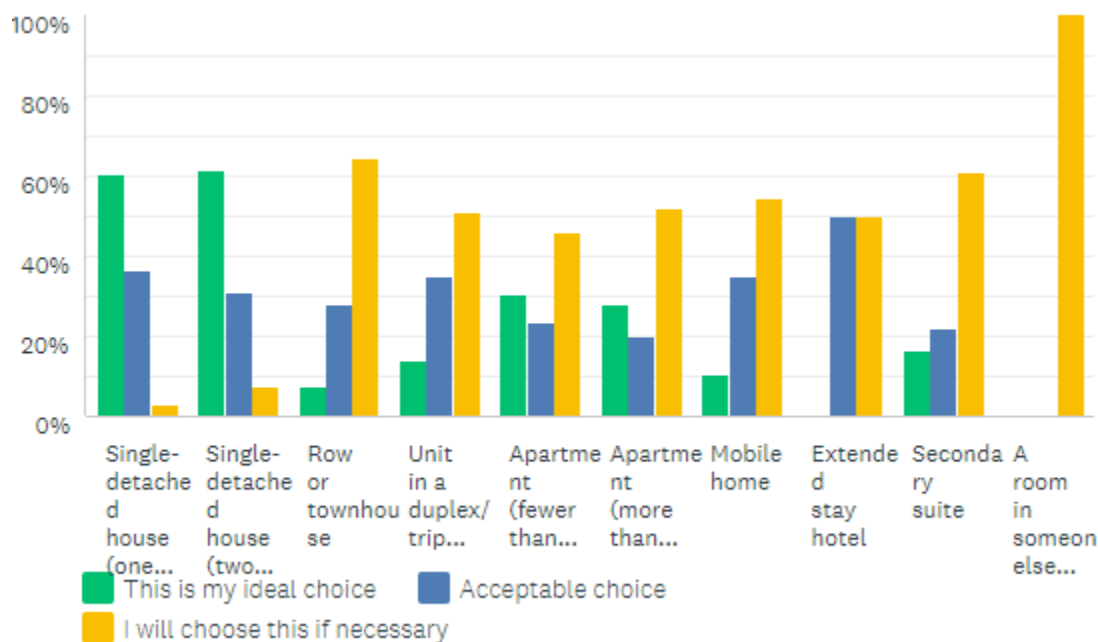
ANSWER CHOICES	RESPONSES
▼ All year long	94.80%
▼ Just in the cold months	0.19%
▼ Just in the warm months	0.39%
▼ I come and go as my situation changes	2.12%
▼ I do not live in Quesnel/North Cariboo	0.39%
▼ Other (please specify)	Responses 2.12%
TOTAL	

Q17: If you move, what would be your preferred living arrangement?



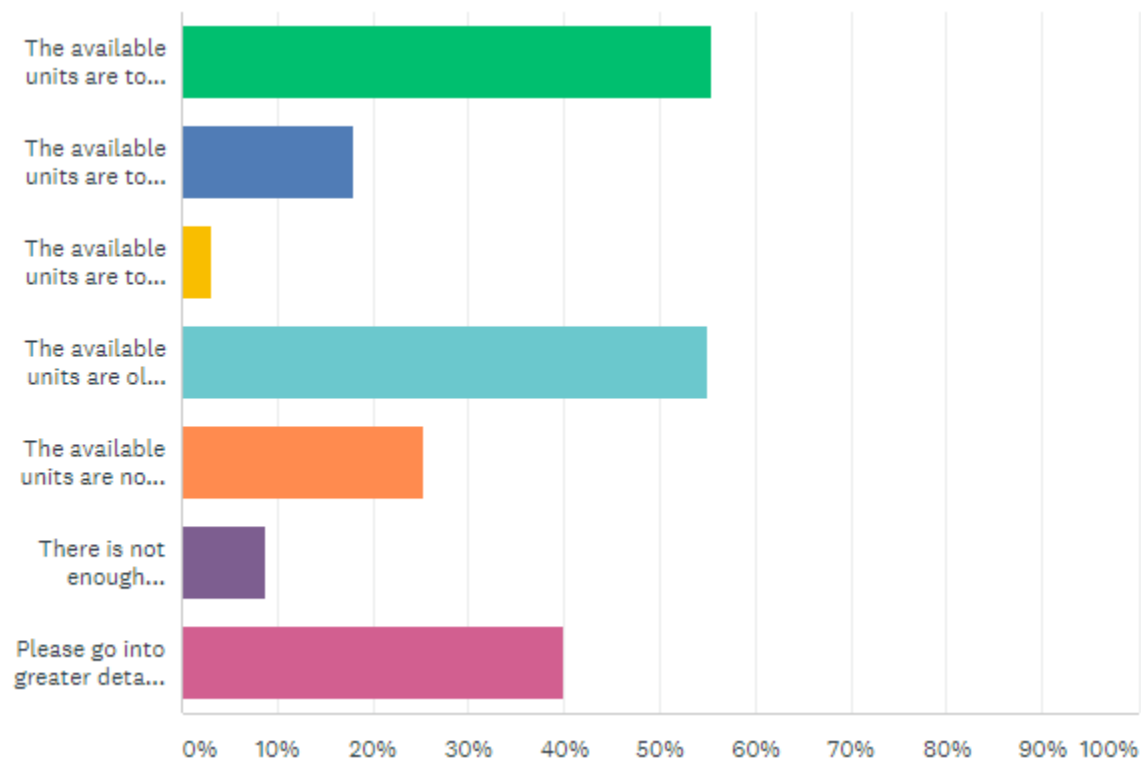
ANSWER CHOICES	RESPONSES
▼ I would own my house, apartment or other dwelling	78.43%
▼ I would pay rent for an entire house, apartment or other dwelling	15.29%
▼ I would pay rent for for a room	0.20%
▼ I would live in Band Housing	0.39%
▼ Other (please specify)	Responses 5.69%
TOTAL	

Q18: What dwelling type would you prefer to buy / rent? Please provide your top three choices.



	THIS IS MY IDEAL CHOICE	ACCEPTABLE CHOICE	I WILL CHOOSE THIS IF NECESSARY
Single-detached house (one storey)	60.47% 231	36.39% 139	3.14% 12
Single-detached house (two or more storeys)	61.59% 194	30.79% 97	7.62% 24
Row or townhouse	7.56% 13	27.91% 48	64.53% 111
Unit in a duplex/triplex/fourplex	13.95% 6	34.88% 15	51.16% 22
Apartment (fewer than 5 storeys)	30.51% 18	23.73% 14	45.76% 27
Apartment (more than 5 storeys)	28.00% 7	20.00% 5	52.00% 13
Mobile home	10.56% 17	34.78% 56	54.66% 88
Extended stay hotel	0.00% 0	50.00% 2	50.00% 2
Secondary suite	16.67% 3	22.22% 4	61.11% 11
A room in someone else's home	0.00% 0	0.00% 0	100.00% 13

Q19: If you are presently in the market for a home in the Quesnel area, what trends are you seeing? Please check all that apply.



ANSWER CHOICES	RESPONSES
▼ The available units are too expensive	55.53%
▼ The available units are too small	18.03%
▼ The available units are too large	3.07%
▼ The available units are old and require a lot of work	54.92%
▼ The available units are not located in an area I want to live (please elaborate below)	25.41%
▼ There is not enough available land to built a house on	8.81%
▼ Please go into greater detail or describe any other incentive programs that are needed (please specify)	Responses 39.96%
Total Respondents: 488	