

Cowichan Workforce Housing Strategy

A PLACE TO BUILD FUTURES

What We Heard – Engagement Round #1

Introduction

The Cowichan Valley Regional District (CVRD) is developing a Workforce Housing Strategy for Cowichan, to come up with actions for increasing housing availability and affordability for the labour force. Economic Development Cowichan (EDC) is leading this project on behalf of the CVRD, with support from Cowichan Housing Association and CitySpaces Consulting. The project includes several rounds of engagement with stakeholders and the general public. This report outlines the results of the first round of engagement.

Executive Summary

In January and February 2023, EDC hosted a series of five virtual workshops to discuss workforce housing issues and opportunities for Cowichan. The workshops were well-attended, with significant discussion around the definition of the workforce, influencing factors and underlying causes of workforce housing issues, and the desired future state of workforce housing in the region.

Participants struggled to differentiate between workforce housing and general affordable housing, but most agreed that improving the housing situation for any one group will have a positive impact on the market for everyone. Participants identified a number of non-traditional workforce groups and high-priority occupations of particular concern.

The workshops identified a number of factors impacting workforce housing issues, including housing supply and cost, rental housing challenges, and a challenging development environment (impacted by the supply of land, infrastructure, government regulations, and public perception).

Participants envision a future with complete, compact communities with a variety of housing forms, tenures, and price points, and supported by government regulations and strong leadership. When this future state is reached, we will see a growth in the workforce that will allow employers to fill vacant positions more easily. At a broader scale, addressing workforce housing challenges will allow for greater economic diversification and more resilient communities.

In order to fulfill their respective roles in overcoming workforce housing issues, participants require an environment of collaboration and partnership, with modernized government regulations and procedures. There is also a desire for more data and education on workforce housing issues and opportunities for various stakeholders.

Engagement Round #1

In January and February 2023, EDC hosted a series of virtual workshops to discuss current workforce housing issues and opportunities. The objective of this engagement cluster was to gain multiple perspectives to define the problem statement, set the vision, and establish a framework to inform solution-seeking exercises in subsequent engagement activities.

There were five workshops held, each for a different target group:

- Regional Planners – January 30, 10am-12pm
For First Nations, municipal and regional government staff
18 attendees (out of 24 registrants)
- Employers – January 30, 2-4pm
For businesses and non-profits of all shapes and sizes
15 attendees (out of 34 registrants)
- Builders & Developers – February 1, 1-3pm
For residential developers, property managers, realtors, and members of the construction industry
23 attendees (out of 50 registrants)
- Employees & Workers with Lived Experience – February 7, 5:30-7:30pm
For employees and workers who have experienced challenges finding and affording housing
6 attendees (out of 17 registrants)
- The Public – February 8, 5:30-7:30pm
For everyone else who would like to contribute to this important work
10 attendees (out of 22 registrants)

Note: A sixth workshop was scheduled for service providers who support workers, including non-profit housing providers, youth services, and training organizations, but this workshop was cancelled due to low registration. Those who had registered were directed to the Employers and/or Builders & Developers workshops instead.

The agenda included an introduction of the project team and a presentation on the project and work completed to date. The majority of each workshop was dedicated to discussion with the participants, and which was structured around a number of questions:

- How do we define the workforce?
- What are the internal and external factors influencing the development of workforce housing? Can we identify the obstacles? What are the underlying root causes?
- What should workforce housing look like in the Cowichan Region? (Visualize the future of workforce housing in the Cowichan Valley, focusing on desired outcomes)
- How will we know that we've addressed workforce housing challenges? What should the criteria be to measure success?
- What do you need in place to fulfill your role in workforce housing?

The [Mural.co tool](#) was used to record participant responses in real time. Breakout rooms were utilized in cases where the number of attendees made a single discussion group unfavourable.

For the first discussion question, "How do we define the workforce?", participants in the Regional Planners, Employers, and Builders & Developers workshops were provided with the following working definition as a starting point for discussion:

	Workforce Cohort	Working Definition	Income Range	Sample Jobs / Occupations High Priority = Red
	Group 1: Minimum Wage	Minimum wage to living wage	\$30,000 to \$49,999	<ul style="list-style-type: none"> • Food service worker (\$30,111 to \$41,347) • Housekeeper (\$30,111 to \$42,328) • Retail sales associate (\$30,111 to \$48,100) • Farm labourer (\$30,784 to \$46,869)
	Group 2: Living Wage	Living wage to maximum regional median income	\$50,000 to \$104,999	<ul style="list-style-type: none"> • Elementary school teacher (\$50,986 to \$97,143) • Paramedic (\$50,024 to \$86,580) • Registered nurse (\$59,644-\$92,506) • Machinist (\$57,720 to \$98,971) • Electrician (\$50,986 to \$97,143)
	Group 3: Moderate to High Income Earners for high priority jobs	Maximum regional median income to average income of high priority jobs*	\$105,000 to \$124,999*	<ul style="list-style-type: none"> • Senior construction manager (\$104,000 to \$120,250) • Senior biomedical engineer (\$115,000 to \$128,801)

Participants in the Employees & Workers with Lived Experience and Public workshops were asked about the types of workers that need housing, their stories, and their needs.

What We Heard

The following pages provide a summary of the discussions by topic.

Defining the Workforce

Many participants grappled with differentiating between workforce housing and general affordable housing. In particular, participants noted that if seniors had viable options to downsize, then they would free up inventory of larger family homes for the workforce. However, most agreed that increasing the supply of housing for the workforce should have positive impacts on overall supply and demand.

Groups who were seen as high priority or having unique needs included:

- Temporary and seasonal workers, including temporary foreign workers
- Casual and part-time workers, especially those earning a minimum wage
- Students and young professionals
- Workers with disabilities
- Immigrants, including refugees
- Transient workers, such as construction and forestry workers, interns, etc.
- Single income households, especially single parents
- Self-employed and private contractors

Participants noted many particular occupations that are high priority or disproportionately impacted by housing issues, including:

- Construction workers for the Cowichan District Hospital Replacement Project
- Healthcare workers, including doctors and home care personnel
- Service and hospitality workers
- Tradespeople and skilled labourers
- Education workers, including teachers and administrative staff
- Community support workers, social workers
- Farm labourers
- Childcare workers
- Manufacturing
- Essential service workers, such as firefighters

Regional Planners found the working definition of the workforce helpful, but asked for clarity around the meaning of “high priority jobs” and whether the income ranges are individual or household incomes. “Group 2: Living Wage” was noted as a very broad income range, from \$50,000 to \$104,999. The needs of those in the lower half of this range might be quite different from those in the upper half. Others commented that wage may not be the best way to

categorize the workforce. Other factors, such as life stage, household structure, tax bracket, or type of housing were suggested.

Employers also found the working definition of the workforce helpful, and were generally happy with categorizing by income range, as it speaks to affordability. Several comments were made about the difficulty in finding affordable housing for “Group 1: Minimum Wage”, and consequently the difficulty in filling these positions. Short-term, seasonal, casual and part-time positions, and those with odd hours (e.g., graveyard shifts) were noted as difficult to hire for.

Similar to the Regional Planners group, Employers noted that “Group 2: Living Wage” is a very broad income range, and suggested that household size should be taken into consideration. They also noted that the meaning of “high priority jobs” requires clarification. While this term is used to identify “Group 3: Moderate to High Income Earners for high priority jobs”, many occupations in Groups 1 and 2 are also high priority.

Builders and developers found the definition of the workforce less helpful, and many commented that Cowichan needs housing for everyone, not just a specific category of people. It was also suggested that the strategy should focus on the kinds of people we want to attract (the positions we want to fill, etc.) and housing solutions that will appeal to that audience.

There was much discussion in this group around short-term housing for several groups, including those working on the new Cowichan District Hospital project, as well as students, transient workers, and independent contractors. It was also noted that housing will be needed for workers who will be building all the new housing needed, which presents a double-edged sword.

Employees and workers with lived experience of housing issues were particularly concerned about housing for people looking to move into the region, as well as young professionals, and those looking to transition out of supportive housing.

Participants at **the public** workshop were particularly keen to see solutions for people wanting to downsize and low wage workers.

Influencing Factors, Obstacles and Root Causes

Participants discussed several influencing factors, obstacles, and underlying causes of workforce housing issues. These are categorized and summarized below. It is important to note that this workshop focused on identifying issues and root causes, but not solutions. Future engagements will focus on solutions to overcome the identified barriers.

Housing Supply

Participants noted an insufficient supply of housing (especially rental housing) to meet current and future demand. The region’s population is growing faster than its housing supply. Seasonal

fluctuations in housing demand were also noted, as many workers move here in the summer for tourism and agriculture-based jobs. Also, participants shared that long-term rental units are increasingly being converted to short-term rentals.

Discussions took place around the suitability of the existing housing stock in Cowichan. Many people are living in housing that is either too small or too big for their families. Especially given our aging population, many seniors are still living in larger family homes, with nowhere to downsize to. Underutilized housing is present in the form of empty bedrooms and buildings under renovation for long periods of time. The region also has a lack of variety in housing types and tenures, and participants noted insufficient low-income and public housing, and starter homes in particular. It was also noted that much of the region's housing stock is nearing its end of life, and many multi-family properties have not been well maintained.

Cost of Housing

Participants shared that the cost of housing in Cowichan is high compared to other similar areas, while wages are perceived to be lower. Rent and other essentials are so costly that people are unable to save for a down payment on a home. While moderate income households do not qualify for housing supports, they are not earning enough to afford market housing. As a result, Cowichan is losing workers to more affordable areas.

Some of the underlying causes of pricing issues noted were the transfer of wealth when homeowners from more expensive markets (e.g., Vancouver, Victoria) cash in to buy a larger property in Cowichan, as well as a lack of regulations capping how much landlords can raise rents when their tenants move out. Minimum wage is not keeping pace with the living wage, but businesses are unable to increase wages (i.e., increase their prices) enough to support workers in affording housing.

Rentals

Many participants noted various difficulties with rental housing beyond just the lack of supply and high cost. The most commonly stated was a lack of tenure security for renters, with evictions happening for various reasons, such as renovations, family moving in, property sales, etc. Insufficient regulations in the Residential Tenancy Act were blamed for this situation. On the other hand, the risks for landlords were also noted as a key driver for the conversion of long-term rentals to short-term accommodations. Also, employer-owned housing was seen as risky, since tenure would be tied to employment. Employers also noted the perceived complexity of setting up housing for their workers, as well as the added burden this would place on their shoulders.

Other issues brought up around rental housing included the lack of pet-friendly rentals, discrimination against low-income families, digital literacy issues around navigating online rental listings, and that searching for a rental is a full-time job in itself.

Challenging Development Environment

Developers, builders, property managers and realtors shared a number of obstacles related to development, making it a risky business to be in. Many of these are large-scale issues, such as inflation, supply chain issues, high interest rates, and financing challenges. Also noted was the difficulty in making a business case to build affordable housing. Provincial and federal housing funds are seen as not meeting the needs of communities, and there is distrust between developers and local government. Those in the non-profit sector also noted their lack of capacity to develop projects.

The development environment was also seen to be impacted by the supply of land, infrastructure constraints, government processes and regulations, and public perception, from the perspective of both developers and regional planners. These factors are summarized below.

Supply of Land

Many participants noted an insufficient supply of land as a contributing factor to workforce housing issues. Much of the land in Cowichan is either owned by private forestry companies, or is within the Agricultural Land Reserve (ALR). The cost of appropriately zoned and serviced land in a good location is very high, and higher levels of government have not made the needed investments to open up more serviced land. There were also comments about the carrying capacity of the region, and how much more growth Cowichan can sustain.

Infrastructure

Regional planners and developers shared many challenges related to infrastructure and servicing. While local governments may wish to restrict development outside of serviced areas, there is a severe lack of serviced developable land, especially outside the municipalities. Also, a shortage of available water is a major issue that will require further examination. Furthermore, the cost to extend and even maintain infrastructure was noted as a major obstacle. In Cowichan's electoral areas, privately-owned infrastructure systems were cited as challenging to coordinate. There was strong support for a regional approach to infrastructure planning and implementation.

Employers, employees, and members of the public also noted a lack of public transportation and alternatives to private vehicles for commuting as an obstacle.

Government Processes

Most participants, including Regional Planners, felt some degree of frustration with lengthy approval processes, government regulations, and overall red tape contributing to workforce housing issues. Depending on the application, development requires a number of approvals from various levels of government, extending the timeline for projects and thereby increasing their risk.

A number of challenges were noted with regards to local government policies and procedures in particular, including slow approvals processes, complex and costly requirements, and outdated zoning bylaws. In particular, restrictions on allowing secondary suites and accessory dwelling units were noted as a major barrier to densification, as was a lack of priority for affordable housing applications, and minimum parking requirements. While it was recognized that various initiatives to address these issues are underway at both the local and Provincial levels, participants felt that there is still work to be done.

Overall, many felt that local government should be more flexible in its regulations, which would allow for creative housing solutions to come forward. Participants noted that strong political will and a recognition of the urgency of the housing issue at the local government level is critical to addressing the problem.

Public Perception

Many participants were concerned with the lack of public support for housing initiatives, stating NIMBYism (Not In My BackYard) as the culprit. Affordable housing and densification are seen by many as unfavourable both to their quality of life and the value of nearby properties, and there is a perception of crime, noise and other negative impacts as neighbourhoods transition away from single-family dwellings.

Developers and regional planners noted changing community expectations as urban-dwellers move to the area, expecting the same level of amenities as they are used to in big cities. A lack of public understanding of the development process was cited, but also challenges around community engagement and education.

The Future of Workforce Housing

When asked **what workforce housing should look like in Cowichan**, participants shared that they wished to see smart growth and complete, compact communities. Liveable and sustainable design, culturally-appropriate housing, and inclusive housing (e.g., accessible, pet friendly) were all noted as desired outcomes. Participants would like to see transit-oriented communities with shared amenities such as car sharing and active transportation options. Community-led development was encouraged, as was using a holistic approach that would

support community building. Participants agreed that a top desired outcome is more resilient communities.

A variety of housing forms, tenures, and price points is desired. While regional planners, builders and developers, and employers would like to see more townhouses and multi-family development, workers and member of the public were keen to see more compact detached dwellings and infill development. Participants hope to see more innovative lease and ownership models to accommodate the needs of a diverse population, such as housing co-operatives and co-housing. Some participants would like to see more employers able to provide staff housing, especially major employers. Better use of existing housing through multigenerational housing arrangements and robust home sharing networks was also noted. Of course, affordable rents and attainable home ownership for the workforce are desired outcomes.

Participants would like to see government policies and regulations in place that support and enable a healthy housing and development ecosystem. This would include a streamlined development process that prioritizes projects with community benefits, such as affordable housing. Forward-thinking and decisive leadership from the public sector is a desired outcome.

When asked **how we will know that we've addressed workforce housing challenges**, participants anticipate a growth in the workforce, with more young families and professionals moving into the community. As a result, employers will find it easier to fill vacancies and receive more applications. Employers will also be able to hire people from outside the region with confidence they will be able to find housing here. Businesses will be open full time again.

At a broader scale, addressing workforce housing challenges will allow for greater economic diversification. It will also allow the development of an inclusive and diverse population, and supportive and resilient communities.

When asked **what criteria should be used to measure success**, participants suggested tracking the following data points:

- Job vacancy rates
- Rental vacancy rates and average prices
- Cost of housing relative to earnings
- Number of housing starts and housing inventory

Participants also suggested a number of targets be set and tracked:

- Housing targets by income group
- Application approval timeline targets

Foundational Tools

In order to fulfill their respective roles in overcoming workforce housing issues, participants overwhelmingly require an environment of collaboration and partnership with all parties (all levels of government, First Nations, developers, employers, non-profits, and others). Funding is needed to build and maintain sufficient servicing to support growth. Modernized, flexible regulations with clear expectations are also needed at the local and provincial levels, including updates to BC Building Code and the Residential Tenancy Act. A Housing Charter was proposed where all parties would commit to advancing housing issues.

Participants noted that education was required both for employers interested in providing housing for their workers, as well as the public to decrease NIMBYism. There is also a desire for better data around housing and employment to allow better program development and progress tracking.

Other tools shared by participants included:

- Digitized development records
- Pre-approved housing plans to fast track approvals
- More developable land
- Angel investor network to finance projects
- Short-term rental regulations
- First Nations treaty resolutions
- Development of a housing authority