

CITY OF NANAIMO

Housing Needs Report

Engagement Summary Report

Prepared by CitySpaces Consulting | January 2023



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Purpose

The City of Nanaimo engaged CitySpaces Consulting to prepare a Housing Needs Report (HNR) to understand the community's current and future housing needs. This Report summarizes the engagement approaches and activities that took place throughout Fall 2022 to inform the HNR.

Community engagement is an integral component of developing an accurate and robust housing needs report. Qualitative information was collected through engagement to provide a greater depth of understanding of housing needs in Nanaimo, as well as augment and complement findings from quantitative research.

Inclusive + Targeted Approach

There has been a high volume of engagement processes in recent years in the Nanaimo area, including the Regional District of Nanaimo's Housing Needs Report (2020), City of Nanaimo's Affordable Housing Strategy (2018), and City Plan – Nanaimo Reimagined (2022). This engagement process built upon the results of these earlier consultations and reached a scoped group of stakeholders and rightsholders to avoid duplication and stakeholder burnout.

A focus of this process was to understand current and emerging impacts of the COVID-19 pandemic on Nanaimo's residents. People with lived experience of housing challenges were engaged, particularly vulnerable populations disproportionately affected by the pandemic, including women, youth, newcomers, and Indigenous persons. A variety of inclusive activities were implemented to reach people 'where they were at', with honorariums provided.



Groups Engaged

Stakeholders and groups engaged include the social services and community sector, affordable housing providers, development industry, provincial government, local community groups and networks, urban Indigenous organizations, and Snuneymuxw First Nation.

Organizations engaged included:

- Advisory Committee on Accessibility and Inclusiveness
- BC Housing
- BGC Central Vancouver Island
- Canadian Mental Health Association – Mid Island
- Central Vancouver Island Multicultural Society
- Claytree Society
- Crimson Coast Dance
- Greater Nanaimo Chamber of Commerce
- Island Crisis Care Society
- Island Urban Indigenous Wellness Society
- John Howard Society
- Nanaimo Affordable Housing Society
- Nanaimo and Area Resource Services for Families
- Nanaimo Association for Community Living
- Nanaimo Brain Injury Society
- Nanaimo Family Life Association
- Nanaimo Hospice
- Nanaimo Youth Services Association
- Power Up Education
- SD68 Community Schools
- Snuneymuxw First Nation
- Spinal Cord Injury BC
- Tillicum Lelum
- Vancouver Island Home Builders Association
- Vancouver Island Mental Health Association
- Vancouver Island University Student Housing
- Volunteer Nanaimo
- Widsten Property Management
- Youth 20/20 CAN
- Youth Advocates Committee



Engagement At-a-Glance

A total of **77 individuals**, including over **40 people with lived experience** and **30 local organizations** were engaged through the following activities:

Workshop



Housing needs workshop with **14 attendees** from the non-profit and community services sector.

Questionnaires



30 lived experience questionnaires were completed through peer-led interviews.

Focus Groups



Youth focus group with **9 participants**.

Meetings



2 meetings with local groups and networks with **20 representatives**.

Key informant interviews



4 key informant interviews with an urban indigenous society, a non-profit housing provider, rental property manager; and a developer / builder representative.

Engagement Activities

Workshop

A workshop was held virtually via Zoom in September 2022. Non-profit housing providers and social service providers came together to discuss the housing challenges and gaps experienced by Nanaimo residents, as well as advise on the best approach to engage people with lived experience. Two breakout rooms were held and interactive virtual whiteboards were used to capture the conversation.

Questionnaires

A short questionnaire was distributed to staff and peers at Tillicum Lelum, Canadian Mental Health Association, and Snuneymuxw First Nation. Peers interviewed people



with lived experience of housing challenges and returned anonymized questionnaire results. Honorariums were provided to peers and participants.

Focus Group

One in-person focus group was held with youth to discuss their experiences and observations of housing challenges, needs, and gaps.

Meetings with Local Groups and Networks

The project team held two meetings with the City of Nanaimo's Advisory Committee on Accessibility and Inclusiveness and Nanaimo Youth Advocates.

Key Informant Interviews

Telephone and Zoom interviews were held with an urban Indigenous housing and wellness society, non-profit housing provider, property manager, and private market development and builder representative.

Project Webpage

A City of Nanaimo webpage was created to share information about the project with the public, including publishing the final Housing Needs Report.



Key Engagement Findings

Several key themes and takeaways were heard during engagement, including the challenges and issues currently experienced by residents in Nanaimo, gaps in housing supply, priority groups most challenged by conditions, the impacts of COVID-19, and barriers to building new housing supply.

Challenges and Issues

The following section summarizes the current challenges and issues experienced in Nanaimo that were identified by community members, stakeholders, and rightsholders during engagement.

Housing prices are rising at a faster pace than local incomes. This means that residents currently living in affordable housing would be challenged to find affordable housing in the area should relocation be necessary.

Most residents are experiencing challenges accessing affordable housing.

People with low or fixed incomes are extremely challenged to afford all the costs of living and often go without necessities like food, utilities, and/or clothing to make ends meet. For instance, people receiving disability benefits use their full income to pay rent and have no money remaining to pay for food, transportation, or utilities.

COVID-19 has exacerbated pre-existing vulnerabilities and made visible the lack of financial resiliency of community members. COVID-19 has had broad impacts felt by all community members and has **disproportionately impacted certain groups** including women, children, youth and young adults, people with disabilities, Indigenous households, new migrants, and refugees, as well as racialized communities.

There is a **shortage of housing supply in Nanaimo**, including both rental and ownership options.

Rental housing options are limited and much of the rental stock is aging, in need of major repair and/or replacement. **Due to the lack of rental options, renters are particularly challenged to find affordable and available rental housing that meets their needs.** Renters report the poor condition of housing puts their health



and safety at-risk. **Secondary suites** are often the only units available to rent and provide an important housing option, however, they are less stable than purpose-built rental housing.

There is a lack of **suitable housing for families with children and larger households**, meaning homes do not have enough bedrooms or are not large enough to meet a household's needs. Many families are no longer able to afford the cost of a single-detached home, in either the rental or ownership markets.

Moderate-income earners are finding it challenging to afford the costs of housing and life necessities. **Moderate income earners report they would like to purchase a home**, however prices are rising too quickly and they cannot afford homes that meet their needs. Traditional single-detached houses that used to be affordable for families with children are no longer attainable for most residents. There are limited family-friendly housing options, such as ground-oriented housing with enough bedrooms and storage. **Some families report they own a home but cannot afford to complete proper maintenance and are challenged to afford the mortgage payments.**

Family friendly housing is challenging to find, particularly for low- and moderate-income families unable to afford to rent or own a single-detached house. Families report they cannot find housing that is suitable or in a location near required amenities such as childcare, parks, or greenspace, nor in areas that feel safe for their children to play outside. **Some families have also reported their children are in foster care** because they do not have suitable housing with the adequate number of bedrooms. **Indigenous families** living with extended family report they are unable to find housing large enough to meet their needs.

Stigma, discrimination, and racism are a barrier to housing that is exacerbated by the housing shortage, as reported by the following groups:

- Indigenous people engaged report being discriminated against due to racism and prejudice;

- Youth reported being discriminated against in their housing searches due to their age, and especially when moving out on their own for the first time and therefore do not have previous housing references;
- Families with children report landlords discriminate against them and prefer to rent to smaller households and/or those without children; and
- People in recovery from substance use issues are unable to compete for rental housing when there are hundreds of other applicants for the same unit.

Community Services providers report the incidences and risks of homelessness are increasing, with many people reporting sleeping in cars or outdoors. A gap in youth homelessness services throughout central and northern Vancouver Island is a key concern. Engagement participants reported a need for more low-barrier shelters and indicated they are unable to access the shelters that do exist.

Differently-abled people are unable to find affordable housing that meets their needs and allows them to live independently. For instance, engaged individuals report experiencing challenges finding housing that is adaptable and accessible, suitable for homecare services to be provided, or with proper sound proofing or lighting. **People with disabilities** report having to use their entire government assistance cheque towards housing, resulting in an inability to afford necessities. Many respondents expressed a desire to qualify for rent supplements.

The lack of affordable rental options is **increasing pressure on and demand for non-market housing**, while also preventing people from moving out of supportive housing environments when full supports are no longer needed. Many participants report **waiting for BC Housing units and subsidized housing for years** and have little hope they will ever be offered a unit.

Community service providers identified gender-based and intimate partner violence as a cause of homelessness, reporting there has been an increase in rates of violence partly due to COVID-19 social distancing measures, and there are not enough transition houses or safe homes to support women, children, and youth seeking safety.



More health services and supports are needed to help people maintain their housing, including:

- Supportive housing and complex care needs;
- Substance use services, such as detox and treatment;
- Primary care, such as family doctors;
- Homecare services and aid;
- Supports for people with disabilities to live independently; and
- Community programming spaces, such as after school programs or a youth hub.

The costs of living are rising including the prices of necessities such as food, transportation, gas, and utilities. Residents living in more remote areas commute by car and have limited public transportation options. The rising costs of gas and ongoing car maintenance costs are major barriers to accessing essential services and daily needs. Residents are concerned about the potential for an economic recession and report they are more vulnerable to future financial disruptions than before the pandemic. Youth report that it's challenging to afford the costs of housing and necessities like food and transportation with their incomes from service sector or entry-level positions; they are particularly concerned that a potential recession may diminish their future job opportunities.

Housing Supply Gaps

There is a housing supply shortage across Nanaimo's housing network. Several specific housing supply gaps were identified during engagement including:

- **Affordable housing** including non-market housing;
- **Rental housing, including purpose-built rental and pet-friendly;**
- **Special needs housing**, including accessible and adaptable housing;
- **Family-friendly housing (2+ bedrooms);**
- **Ground-oriented multi-family** including houseplexes, townhomes, and low-rise apartments.



- **Housing for people experiencing or at-risk of experiencing homelessness,** including supportive housing and complex care housing;¹
- **Seniors housing,** including intergenerational / multi-generational housing and housing with supports;
- **Youth housing** such as transitional housing and group homes as well as **youth emergency shelters and services;**
- **Indigenous housing** and culturally appropriate housing; and
- **Student housing.**

Priority Groups

Groups engaged shared that the housing situation is dire and **most residents are challenged to access housing that meets their needs.** People experience **intersectional challenges** accessing housing based on their unique situation and identity. In this way, individuals may experience compounding challenges accessing housing that meets their needs when they belong to more than one of the groups listed below. Groups identified as experiencing disproportionate challenges include:

- **Low-income households;**
- **Renters;**
- **Single person households;**
- **Families with children;**
- **Seniors (55+);**
- **Adults aged (34+);**
- **Youth,** particularly those in or transitioning out of care, entering the labour market, or moving out on their own for the first time. Rates of youth experiencing homelessness was a key concern;

¹ Complex care housing is a new provincial housing program that supports people living with complex mental health and substance-use challenges who are at risk of homelessness.



- **Differently abled people** including people with invisible conditions, brain injuries, and neurodivergence;
- **People experiencing or at-risk of experiencing homelessness;**
- **People with mental health and substance use challenges**, including those with concurrent and complex needs;
- **2SLGBTQ+ community;**
- **Women and children**, particularly single parents and families fleeing intimate partner violence; and
- **New immigrants and refugees.**

COVID-19 Impacts

This section summarizes the current and emerging impacts of the COVID-19 pandemic experienced in Nanaimo that have been identified through engagement.

Rather than creating new challenges, the Covid-19 pandemic exposed and exacerbated **pre-existing vulnerabilities and inequities** in the community.

Participants indicated **low-income households experienced decreased financial resiliency due to the pandemic**. Residents were challenged to find work due to the pandemic, particularly for those relying on multiple jobs and unable to work at multiple locations due to provincial health regulations.

Federal and provincial COVID-19 relief benefits helped to temporarily ease the severity of the pandemic's impacts on the community, including helping to prevent people from losing their housing. However, **COVID-19 benefits are no longer available and residents report having low financial resiliency to accommodate current and rising costs**, such as low or no savings and high amounts of debt.

Nanaimo residents are becoming increasingly vulnerable to future economic and/or health impacts. Some residents **no longer qualify for financial assistance such as income supports and rent supplements due to accepting COVID-19 benefits** that temporarily increased their incomes in the previous years' notice of assessment.

Residents experienced increased **mental health issues and concerns**, including isolation, loneliness, stress, and anxiety. Residents report feeling **emotionally and**



mentally exhausted due to dealing with the COVID-19 pandemic impacts and the stress related to not being able to make ends meet. Many report they have not been able to spend as much quality time with friends and family or afford to take holidays or time off work to recharge.

Social distancing orders increased risks for specific groups, including gender-based and intimate partner violence, **interpersonal conflicts with youth at home and the risk of overdose due to people using substances alone and the increasing toxicity of the illicit drug supply**. Community members needing to find supports and services were challenged to navigate the complex **social services network, which was further fragmented due to COVID-19**.

Stakeholders observed a recent **influx of new residents moving to Nanaimo from across the province and Canada** because they can work from home and Nanaimo offers more affordable housing options compared to other major cities in the province and across Canada. Feedback from engagement indicates new residents are often high-income earners and able to compete for the limited stock of housing, pushing prices up.

The rising housing costs are outpacing increases in local incomes. Local workers are challenged to afford the costs of living and housing costs are the primary concern. Employers report workers are moving away or considering moving elsewhere where housing costs are more affordable and incomes higher. **Staff burnout** was reported as a concern particularly in the social services and health care sectors due to increased demand and challenging working conditions, as well as other systemic factors, such as lack of overtime compensation, job insecurity, and low wages.

The **digital divide** has been growing, with many people unable to use or access technology for vital services access and support. Residents are becomingly increasingly vulnerable to online scams. Being unable to view housing in-person creates a barrier to access rental housing and increases the risk of **rental scams**.



Housing Development Barriers

Key informants were asked to identify and describe the challenges and barriers to building new housing in Nanaimo that meets community needs:

- **Permit processing times** increase costs and risks when developing new housing:
 - > Representatives from both market and non-profit housing developers identified this barrier.
 - > Small developers and non-profit organizations have less capital available to cover costs while waiting for permits to be issued, which can negatively impact project viability and increase cost of housing to the occupant.
 - > Actions are being taken by the City of Nanaimo to address this challenge, however additional resources such as staffing and process improvements are needed.
- **Labour shortages and rising costs of construction also impact viability of new development.** Although construction costs are higher on Vancouver Island than the Lower Mainland, the rental prices yielded from new developments are less.
- Key informants identified several regulatory changes to allow more **diverse ground-oriented multi-family housing** to be built in more areas throughout the city, which includes stacked townhomes, rowhouses, houseplexes, walk-ups, as well as detached dwellings on properties with existing single-detached homes and secondary suites. These housing forms offer:
 - > Adaptable and accessible housing options;
 - > Multi-generational and intergenerational options;
 - > Social and community supports and integration;
 - > Walkable neighbourhoods; and
 - > More affordability and energy efficiency compared to single-detached homes.
- Key informants identified **a need for more support and resources for non-profit housing providers to build new affordable housing. Several suggestions were shared**, including:



- > Enhanced coordination between all levels of government, particularly aligning the expectations of the local, provincial, and federal governments for development approvals, affordability levels, and funding agreements.
 - > Affordable housing operators are poised to develop and acquire new housing, however, there are limited government supports available and funding programs are restrictive and inflexible. More flexible funding programs are needed to facilitate new non-market development.
 - > Non-profit housing providers are eager to see the City of Nanaimo provide more contributions for affordable housing development, such as DCC fee waivers in-full, pre-zoning land, and fast-tracking approvals.
 - > Participants expressed frustration about the high-level of consultation that has taken place in recent years but with a perceived lack of action and implementation of proposed solutions by government leaders. Participants are eager for the City of Nanaimo and senior governments to establish shared commitments to funding housing and support services in Nanaimo.
 - > Participants expressed a need for more federal government investment to be made on Vancouver Island, including the rapid housing initiative funding program.
 - > There is no dedicated funding for urban, rural Indigenous housing off-reserve in the federal budgets despite former commitments for this new stream.
 - > Support for the construction of energy efficient and sustainable housing will help to reduce costs to residents and protect the environment.
 - > Pre-zone land for affordable housing to enable faster builds and decreased costs.
- **It is challenging for non-profits to compete for and find affordable land to build new affordable housing.** Local governments can support by contributing land to affordable housing development and may consider co-locating affordable housing with institutional uses such as community centres or fire halls.



- **Community opposition** to new housing was identified as a key barrier to new supply to meet diverse needs, including rental, multi-family, and non-market projects. Often, multi-family housing, particularly housing for people experiencing homelessness or at-risk of homelessness, is met with stigma and discrimination.

Housing Needs & Gaps Potential Solutions

All groups shared feedback on potential solutions to address Nanaimo's housing needs and housing supply gaps, which is summarized below.

There was broad support from all groups engaged for the City of Nanaimo Housing Needs Report to update, encourage, and make room for more diverse multi-family housing options. There were many comments about the need to shift away from building single-detached houses to more dense housing options in walkable neighbourhoods, and to make investments in high-quality public amenities such as parks.

Youth are eager to see more walkable neighbourhoods with more diverse housing options and more community amenities like parks; they see a need to create more housing options so they can live and grow in Nanaimo, even as their needs change throughout their lives. They would like to see more attainable and affordable housing options in their community.

Community service providers would like to see **investment and scaling up of existing programs**, rather than creating new services to meet the growing demand.

There is an urgent need for more affordable housing to be approved and constructed faster. Many suggested the City could consider fast-tracking non-market housing approvals, increasing staff resources, improving the approvals processes, as well as exploring innovative approaches such as container housing for people experiencing homelessness.

The local government can advocate to senior governments to address existing gaps in income supports for vulnerable groups. This may include increasing income assistance and disability benefits to cover rising costs of living, considering



universal basic incomes, or extending SAFER rent supplements to people receiving disability benefits.

Culturally appropriate housing is an important option for urban Indigenous people to stay connected to their culture, through ceremony, gatherings, shared meals, prayers, and other traditions. It is particularly healing for people dealing with intergenerational trauma and the legacies of colonialism such as residential schools.





