THE VILLAGE OF
NAKUSP

Village of Nakusp Housing Needs Report Update

REGIONAL DISTRICT OF CENTRAL KOOTENAY COMMUNITY PROFILES

DECEMBER 2024

Acknowledgments

The authors of this report acknowledge that this study takes place on the traditional territory of the Sinixt, Ktunaxa, Syilx, and Secwépemc people. We hope to continue their legacy of learning from, caring for, protecting, and enjoying the blessings of tradition and territory.

The development of this Housing Needs Report Update Community Profile was led by the Regional District of Central Kootenay (RDCK) and supported by staff from the Land Use and Planning department as well as staff from the Village of Nakusp.

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Appendix A: Definitions

Executive Summary

In 2020, the Regional District of Central Kootenay (RDCK), in partnership with participating member municipalities, including the Village of Nakusp, released its first iteration of Housing Needs Reports (HNRs) in response to new legislation and the changing housing landscape. Like many other Canadian communities, the Village of Nakusp is facing escalating housing pressures and rising housing costs.

Recognizing the dynamic nature of the housing market, the availability of new data, and the necessity for updated housing reports, the RDCK commissioned HNR updates for its rural Electoral Areas (A, B, C, D, E, F, G, H, I, J, and K) and partnering municipalities (the Villages of Kaslo, Nakusp, Salmo, Silverton, and Slocan). This Community Profile aims to provide an overview of Nakusp's current and anticipated local housing conditions and needs and meet new provincial legislative requirements.

KEY FINDINGS

The Population of Nakusp is Growing and Changing

- Nakusp's total population remained relatively static between 2016 and 2021 (1,645 people). During this same time period, total households grew slightly by 1%. Unlike recent trends, the community is anticipated to experience notable growth over the next two decades.
- Projections expect there to be about 1,875 residents in the Village of Nakusp by 2041, an increase of 14% from 2021. About 230 additional people may call Nakusp home over the next two decades.
- Growth has historically been, and is expected to continue to be, greatest among seniors and older residents. Projections also anticipate considerable growth among 45- to 64-year-olds over the next 20 years.
- The household type to experience the most growth from 2016 to 2021 is families without children (i.e., couples). This growth is likely linked to an increase in senior led households.

Sale Prices are Rising, and Home Ownership is Increasingly Out of Reach for Many

- The median home sale price rose 79% between 2019 and 2022. The median single-detached house sold for just over $430,000 in Nakusp in 2022.
- From 2012 to 2020, the median couple household was the only defined household type to consistently afford the median house price in Nakusp. Since 2016, the median price of a home has become increasingly out of reach for all other median household types. In 2020, the median home price surpassed what the median couple could afford for the first time.
- Homeownership attainability data highlights the notable disparity between growth in house prices and growth in estimated incomes, leading to reduced purchasing power for shelter for most households in the community.

Residents in Nakusp are Facing Affordability Challenges

- In 2021, 16% of households in Nakusp lived in unaffordable circumstances, a large percentage relative to other neighbouring communities in the RDCK and across BC.
- Renter households are more severely affected by affordability challenges than owners. Thirty-two percent

of Nakusp renters reported living in an unaffordable home, compared to 11% of owners.

- About 23% of households in Nakusp (175 households) earn a "very low income" or "low income." These households can afford at most a monthly mortgage or rent of $610. Many of these households may already own their home or are eligible for shelter assistance, so they may be able to afford more than is otherwise identified. However, this income group has higher susceptibility to sudden changes in costs (whether it is a repair or increase in rent).
- Housing affordability and costs are identified as key priority issues in the Nakusp Official Community Plan (OCP) (2020). Housing data confirms that many households in Nakusp find it difficult to find and afford an appropriate home.

Demand is Expected to Increase over the Next 20 Years

- Over the next two decades, provincial projections suggest Nakusp may need to add 302 new homes across the housing spectrum to mitigate increased market imbalances, account for anticipated new demand, and address existing housing deficits. Rental demand projections suggest 54% of new rental units would need to be affordable or offered at a below-market price to best meet the needs of Nakusp residents.
- Much of the demand will be influenced by population growth. Growth is largely driven by factors outside of local government control including economic opportunities, available services, infrastructure, transportation, natural disasters, federal and provincial policy, and education opportunities.
- Migration to Nakusp is largely from other areas of British Columbia, including adjacent communities. Preparing for growth and addressing demand is not just about accommodating new people – it is about preserving and deepening affordability so current residents across all age demographics in Nakusp can stay and thrive in their community

Interim Report Requirements

The first legislative requirements for housing needs reports were established in 2019 and required local governments to collect data, analyze trends and present reports that describe current and anticipated housing needs. The RDCK and its partner communities, including the Village of Nakusp, completed a Housing Needs Assessment in September 2020.

In 2023, amendments to the *Local Government Act* introduced new requirements for housing needs reports. Local and regional governments must now use an established methodology to identify the 5- and 20-year housing need in their communities and local governments must update their official community plans and zoning bylaws to accommodate expected demand.

Communities must complete an interim housing needs report that is required to include three new additional items:

1. The number of housing units needed currently and over the next 5 and 20 years;
2. A statement about the need for housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit or other alternative forms of transportation; and,
3. A description of the actions taken by local government, since receiving the most recent housing needs report, to reduce housing needs.

The RDCK and partnering communities have elected to complete the interim report requirements and a comprehensive data update using 2021 census data. For reference, required report content fulfilling the interim report requirements is included in this section. The body of this Community Profile contains all information required by legislation for the Interim Housing Needs Reports and should remain relevant until the next release of Census data, projected for 2027 or 2028.

NUMBER OF HOUSING UNITS REQUIRED TO MEET CURRENT AND ANTICIPATED HOUSING NEED

Table 0-1: HNR Method base year versus current year estimates

Description	5-year	20-year
Total demand from 2021 base year	130	302
Estimated total demand from current year (2024)	144	286

Further discussion and analysis of anticipated need is included in section 5 of this report.

KEY AREAS OF LOCAL NEED

Based on analysis of data and feedback from elected officials and community organizations, the following summary statements describe the current and anticipated housing needs across the following seven key areas: affordable housing, rental housing, special needs housing, housing for seniors, housing for families, shelters for individuals experiencing or at risk of homelessness and housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit, and alternative forms of transportation.

Table 0-2: Key areas of local need

Need	Description
Affordable housing	Affordability remains the largest contributor to Core Housing Need in the Village of Nakusp, with approximately 16% of local households spending more than 30% of their total income on shelter in 2021. Since then, the gap between income purchasing power and actual house prices has widened, indicating that homeownership is further out of reach for most residents in Nakusp than it was three years ago. Individuals or families with one income are struggling the most to find affordable housing options in the community, whether to rent or own. Approximately 23% of households earned a "very low" or "low" income (see Section 3.3.2 for income categorization information). While many in these categories may already be shelter-secure (e.g., retired households with fully paid-off mortgages), this percentage represents a significant portion of the population that may be especially vulnerable to affordability challenges. Projections estimate at least 105 subsidized affordable units and 302 additional market units will be needed by 2041 to meet demand and begin to balance prices.
Rental housing	Homeownership is becoming increasingly unaffordable for the typical household in Nakusp, forcing many who would prefer to own a home to rent instead. Although renting is also experiencing a significant rise in costs, it often remains the more cost-effective option between the two tenures. Local data shows trends opposite of the above, with the share of renter-occupied dwellings decreasing from 31% to 24% between 2016 and 2021. However, broader vacancy trends in the RDCK's urban areas and across BC suggest that this local data trend may shift. As rental vacancy rates continue to decrease, there is a clear rise in demand for rental housing relative to available supply. Although vacancy rates typically reflect purpose-built rentals in urban areas, a declining vacancy rate in these markets forces households to seek alternatives in lower-density markets where there is better availability and prices. This leads to increased demand overall. Although there is limited data available on the rental market in smaller communities within the RDCK, engagement with elected officials and community organizations/groups confirmed that vacancy rates remain well below the 3-5% healthy vacancy rate. Residents have reported having an extremely difficult time finding affordable, suitable rental options to meet their needs. Projection calculations support the data trends, anticipating a continued increase in rental housing demand, with approximately 44% of all projected dwellings expected to be rental units by 2041.

Need	Description
Special needs housing	Although data on waitlists and core housing need is not specific to community members with special needs, national disability statistics show that overall rates of disability increased from 22.3% to 27.0%[1] between 2017 and 2022 surveys. Much of this increase is attributed to the growth of the senior population. As the population in Nakusp ages, projections expect the need for more accessible and specialized housing to increase. Increases were also observed among youth and working-age adults, with significant rises in mental health, learning, and developmental challenges. This indicates a broad need for improved access to supportive housing options that cater to various specific support needs and age demographics.
Housing for seniors	According to BC projections, Nakusp can expect that older senior-led households (85+) will continue to grow over the next two decades. By 2041, this age group may increase by 400% (20 to 100) and could comprise 11% of total households. In 2022, the Canadian disability rate among the senior population was 40%, an increase of three percentage points since the last survey in 2017. A significant portion of this rate is related to mobility issues, and the likelihood of disability that increases with age. Given the anticipated growth in older senior led households and the elevated disability rate within this group, increased senior housing interventions are necessary. These could include ensuring senior housing and facilities are widely permitted locally, further modifying building standards to support aging in place, and/or developing and improving existing senior services and programs. While many solutions fall outside the direct influence of local government, there may be opportunities to partner with other levels of government and local or regional organizations to encourage appropriate seniors housing.
Housing for families	Projections anticipate growth among young family households (led by 25- to 44-year olds) to continue, potentially comprising 31% of total households by 2041. Affordable options with multiple bedrooms are key to meeting the needs of families, especially lone parent households who often need non-market options to ensure appropriate affordability. Families may also be served by interventions in other areas of the housing spectrum, for example by additional seniors housing that helps reintegrate larger homes back into the market.

1 Statistics Canada. (2023, December 1). Canadian Survey on Disability, 2017 to 2022. https://www150.statcan.gc.ca/n1/daily-quotidien/231201/dq231201b-eng.htm

Need	Description
Shelters to address homelessness	While shelters are often located in larger urban communities, homelessness is not confined to these areas. National and provincial trends show that overall homelessness is on the rise, with hidden homelessness likely increasing, particularly in small urban and rural areas. About 2% of regional households were identified as earning "very low" incomes. These individuals are the most vulnerable to changes in their housing circumstances and are the most likely to require emergency housing interventions. Addressing homelessness locally is ideal, as it allows residents to remain within their community. However, doing so can be challenging without provincial or federal support. Nakusp should stay engaged in regional homelessness strategies to help coordinate and determine the allocation of emergency housing services and programs.
Proximity to transportation	The Village of Nakusp recognizes that effective and efficient local transit is important for community members to access jobs, basic amenities, recreational activities, health and wellness supports, and family and friends, among others, both within the Village and neighboring communities. As outlined in the Village of Nakusp Official Community Plan (OCP), the Village vision is to be well-connected with cycling and pedestrian trail systems and a vibrant and connected social community. A strategic implementation goal of the OCP is to develop a Transportation Master Plan that emphasizes the importance of non-motorised and active transportation options within the Village core and active connections to key locations outside the Village core. Providing housing options that are close to transportation infrastructure that supports walking, cycling, and transit not only enhances quality of life by providing convenient and affordable mobility options for all ages, abilities, and budgets, but contributes significantly to reducing the Village's carbon footprint. By fostering neighborhoods where residents can easily commute and do errands without relying on personal vehicles, the Village can create a more inclusive, lively, healthy, and connected community.

LOOKING BACK

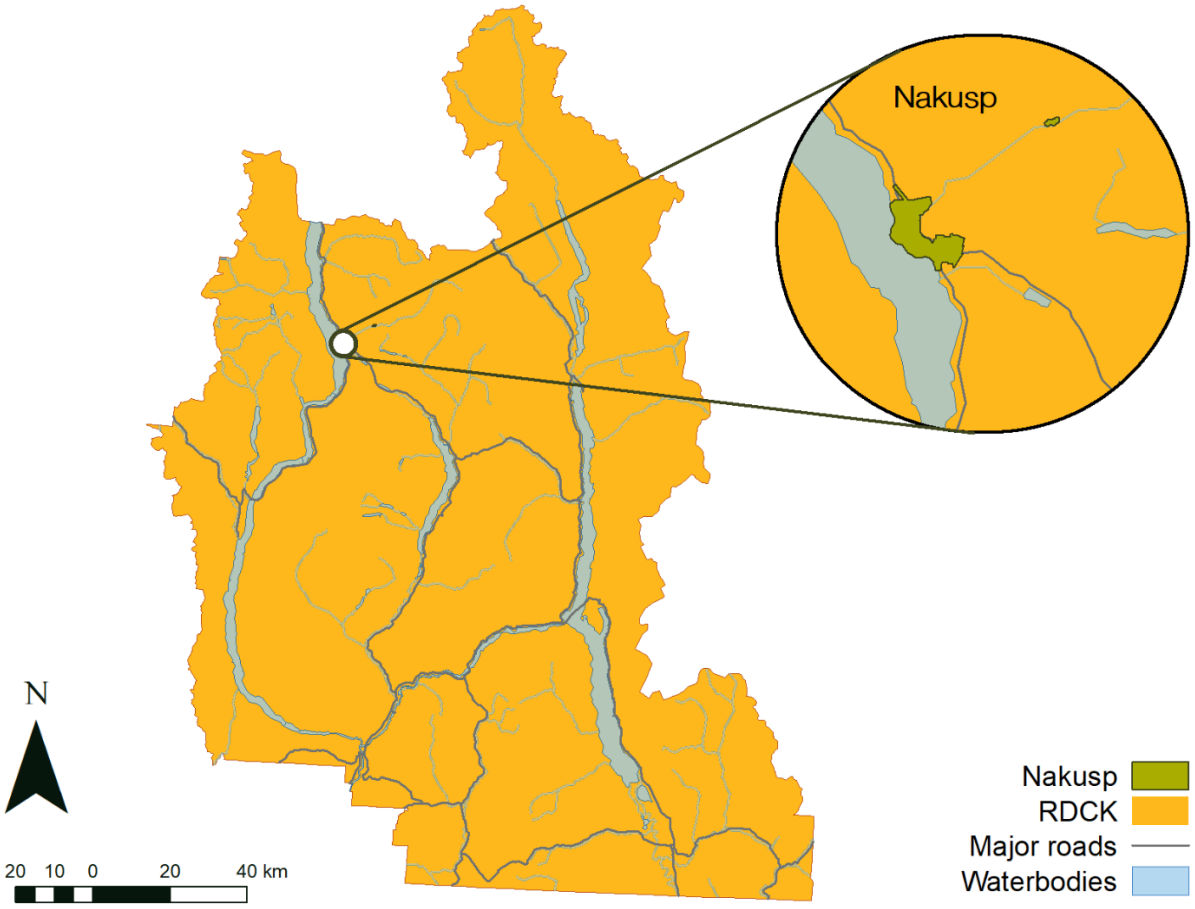
Table 0-3: Actions taken by the Village of Nakusp to reduce housing needs since the last HNR was received

General Housing Actions	
Date	**Description of Action or Policy**
2022 2024 Amended	In 2022, the Village of Nakusp adopted the Development Applications Procedures Bylaw, later amended in 2024. This Bylaw outlines the procedures and requirements for processing land development applications. This includes amendments to the Official Community Plan, Zoning Bylaw, Development Variance and Development Permits.
2022-Onward	The Waste Water Treatment Optimization Project was initiated to increase the amount of sewage that can be treated by the Village's Waste Water Treatment Plant system. This project is crucial to support future housing development in the community.
2023	The Official Community Plan Amendment Bylaw, No. 723 was adopted in 2023 to change some of the designated land uses within the OCP. These updates were made to allow for housing in an area previously zoned for industrial development.
Zoning Amendments	
Date	**Description of Action or Policy**
2023	To comply with the Small-Scale Multi-Unit Housing (SSMUH) legislation mandated by the Province, the Village adopted a new Zoning Bylaw to allow secondary dwellings on every residential property and increased the number of properties zoned for multi-family developments.
2024	Restricted short-term rentals (STRs) to properties that have someone already residing on the property long term. This applies to all residential zones.
Rezoning Applications Approved	
Date	**Description of Action or Policy**
2023	Rezoned multiple properties from industrial to R-1 (Small Parcel Residential) and to C-5 (Neighborhood Mixed Use – allows housing). The rezoned properties have the potential for 130 new lots to be developed within the Village.

1. Introduction

Using a wide range of quantitative data and qualitative input from elected officials and community organizations, this document analyzes existing and anticipated housing needs and gaps in the Village of Nakusp. All data presented in the report refers to Nakusp unless otherwise identified in the text. Figure 1-1 illustrates Nakusp's location in relation to adjacent communities and the RDCK.

Figure 1-1: Location Map



Source: BC Geo Warehouse, Statistics Canada

The purpose of this report is to catalogue current and anticipated housing challenges so that decision makers, regulators, funders, and community members can better understand and react to housing issues in the Village of Nakusp. A thorough assessment of housing need is a vital foundation to support future initiatives. The data gathered and insights generated by can inform land use and social planning initiatives at local levels, as well as provide hard evidence to further advocacy to senior levels of government. This Community Profile is also a useful resource for those engaged in or entering the housing sector.

1.1 DATA SOURCES

This report refers to several pieces of data that work together to contextualize housing conditions experienced by residents of the Village of Nakusp. The following is a list of secondary quantitative data sources (i.e., information collected by other organizations and used for this report):

- BC Assessment
- British Columbia Statistics
- Canada Mortgage and Housing Corporation (CMHC)
- Local government data
- Statistics Canada
- UBC Housing Assessment Resource Tools (HART)

Limitations for each source are detailed in the next subsection. At a high level, no analysis can be exact without individualized person or household datasets. Many datasets in this report rely on population samples which, though statistically sound, may not feel representative or reflect lived experience in Nakusp. Any analysis in this report should be considered informed estimates rather than precise descriptions.

This is especially applicable to projection work from any source. Estimating variable changes without knowledge of future conditions is inherently flawed. The projections included in this report are subject to economic, social, and environmental conditions that may not persist in the future. Projections should serve as guideposts, regularly recalculated and adjusted to incorporate new information as needed.

1.1.1 Data Limitations

BC Assessment

Grouped Information

BC Assessment provides assessment roll spreadsheets for communities across British Columbia for the years 2005/2006 through 2022/2023. Assessment roll information is not on an individual property level; rather, similar types of properties are grouped together in "folios" based on several factors, such as property type and dwelling type. These folio groups also mean that assessment and sale price values reflect averages, making it more difficult to express community level average and median values.

British Columbia Statistics

Urban Focus

BC Statistics helpfully consolidates most data related to complete Housing Needs Reports, like the new homes registry, non-market housing, post-secondary student housing, and homeless count sources. The database primarily offers data for urban areas, potentially excluding unincorporated or rural data, or suppressing data for confidentiality. This is often due to urban communities having greater data quality and quantity.

Canada Mortgage & Housing Corporation (CMHC)

Reporting Landscape

CMHC conducts its Rental Market Survey (RMS) every year in October to estimate the relative strengths in the rental market. The survey collects samples of market rent levels, turnover, and vacancy unit data for all sampled structures. The survey only applies to **primary rental markets**, which are those urban areas with populations of 10,000 and more. The survey targets only privately initiated rental structures with at least three rental units, which have been on the market for at least three months. In the RDCK, CMHC only collects rental data for the City of Nelson.

Statistics Canada

Area and Data Suppression

Some geographic areas are too small to report, resulting in the deletion of information. Suppression can occur due to data quality or for technical reasons, limiting the use of granular Census geographies. This was not a particular concern for this study but limited the ability to use granular Census geographies (specifically, Dissemination Areas – see **Definitions**).

Random Rounding

Numbers are randomly rounded to multiples of "5" or "10," leading to potential discrepancies when summed or grouped. Percentages derived from rounded data may not accurately reflect true percentages, introducing a level of approximation. Additionally, the sums of percentages may not equal 100%.

UBC Housing Assessment Resource Tools (HART)

Sourced from Statistics Canada

While HART offers detailed methodologies for their analysis, they do rely on Statistics Canada datasets. Consequently, the same limitations as stated above apply for HART analysis results.

1.2 ENGAGEMENT

The RDCK Housing Needs Report Updates Engagement Summary Report summarizes engagement activities conducted by the M'akola Development Services (MDS) and Turner Drake & Partners (TD) in collaboration with RDCK staff for the HNR updates. Engagement opportunities included targeted surveys, presentations, and facilitated discussions.

The Engagement Summary Report captures key themes and feedback shared by engagement groups, including RDCK elected officials, municipal staff, and community organizations/groups. The feedback gathered through these engagement activities informed and contextualized sections of the HNR updates. These findings are incorporated throughout the RDCK Regional Summary Report, Electoral Area Summary Report, and Village Profiles.

2. Demographic Profile

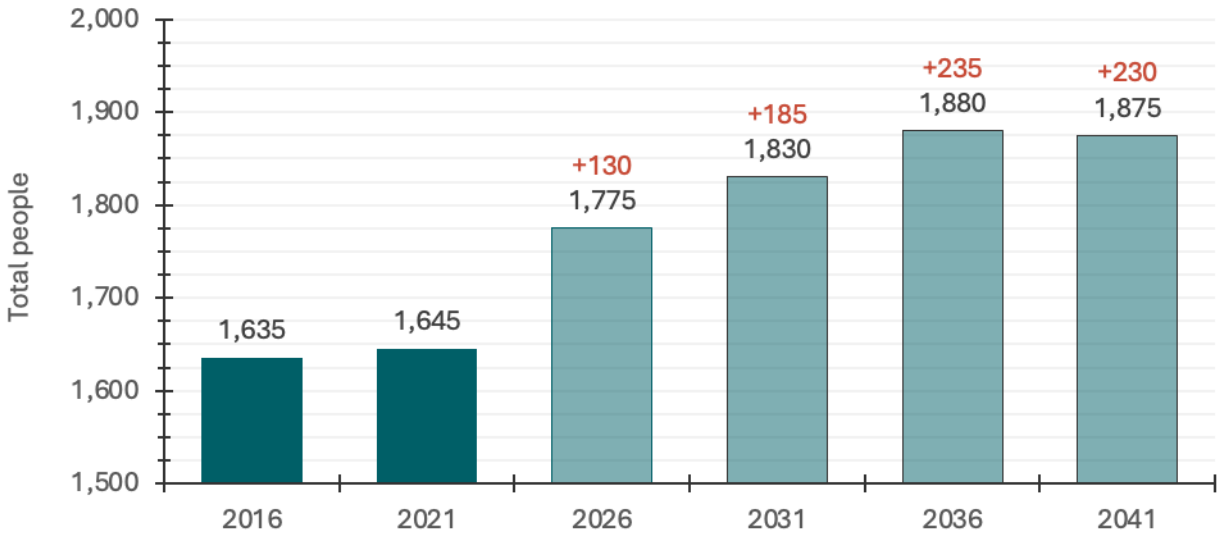
2.1 POPULATION

2.1.1 Historical & anticipated population

British Columbia's population grew by nearly 8% between 2016 and 2021 (according to BC Government estimates), driven by economic opportunities, immigration, and the quality of life. This growth has heightened the demand for housing, infrastructure, and services, presenting both opportunities and challenges for the province as it adapts to a changing demographic landscape.

Government of British Columbia estimates show that the Village of Nakusp grew 1% from 2016 to 2021.[2] Figure 2-1 illustrates the changing total population from 2016 and 2021 (BC estimates for Census years) and to 2026 and 2041 (BC Government projections).

Figure 2-1: Historical and anticipated population, net anticipated change of population since 2021



Source: BC P.E.O.P.L.E estimates, BC P.E.O.P.L.E projections

Table 2-1 provides a summary of the historical population changes across different age cohorts and includes anticipated population figures over the next two decades.

2 Note that Statistics Canada's 2021 Census reports a 1% decrease to the Village of Nakusp's population. The totals from which the changes are calculated differ between sources. BC estimates are adjusted to account for possible undercounting during the Census' enumeration.

Table 2-1: Historical (BC Gov't estimates) and anticipated population by age cohort (BC Gov't projections)

	Total	0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+
Historical population							
2016 population	1,635	215	155	305	505	390	60
2021 population	1,645	185	165	345	440	470	35
% change ('16-'21)	+1%	-14%	+6%	+13%	-13%	+21%	-42%
Anticipated population							
2026 population	1,775	190	165	405	435	515	60
% change ('21-'26)	+8%	+3%	+0%	+17%	-1%	+10%	+71%
2041 population	1,875	215	135	555	410	420	140
% change ('26-'41)	+6%	+13%	-18%	+37%	-6%	-18%	+133%
% change ('21-'41)	+14%	+16%	-18%	+61%	-7%	-11%	+300%

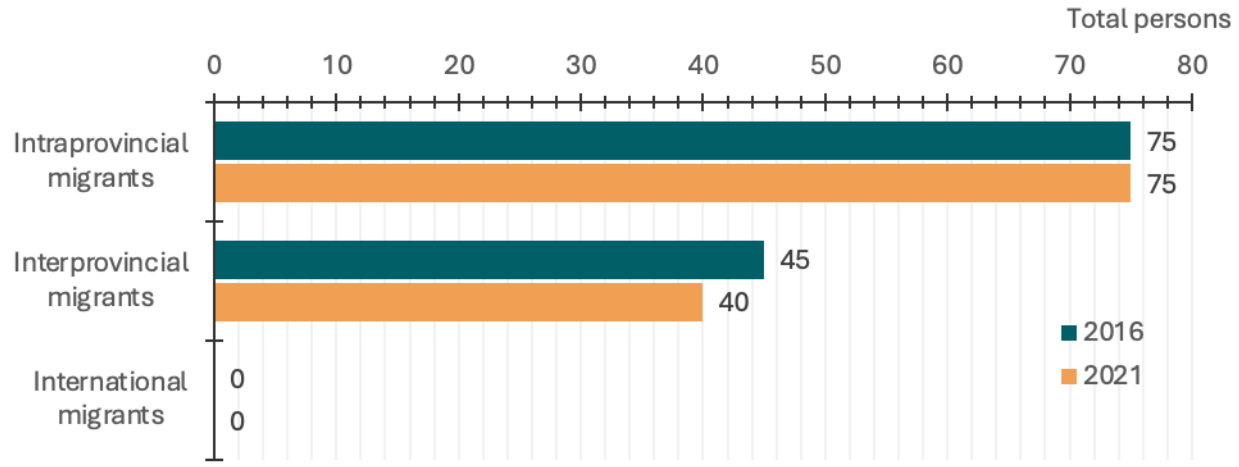
Source: BC P.E.O.P.L.E estimates, BC P.E.O.P.L.E projections

- The province estimates that Nakusp's population was 1,645 people in 2021, up marginally from 1,635 in 2016.
- The highest rates of growth have been largely among 25- to 44- and 65- to 84-years olds. Across this time period, youth (0 to 14) and older working age adults (45 to 64) decreased.
- The total population may grow 14% over the next two decades, potentially reaching 1,875 people in 2041 according to BC government calculations. Most of this growth is anticipated to be led by youth and younger working age adults (25 to 44), with declines likely occurring among adults 45- to 84-years old.
- About 230 additional people may call Nakusp home by 2041.

2.1.2 Recent mobility trends

Figure 2-2 illustrates the number of people who moved to the community from another area, whether from within British Columbia (intraprovincial), another province (interprovincial), or another country (immigration). The data reflects mobility trends for the years prior to 2016 and 2021.

Figure 2-2: One-year mobility of population trends



Source: BC Government purchased Custom Statistics Canada Census Tabulations

- People moving from other areas of British Columbia (including adjacent communities) are the largest source of incoming migrants, a trend consistent across both the 2016 and 2021 Censuses.
- Out-of-province in-migrants make up about one third of incoming individuals / households.

2.2 HOUSEHOLDS

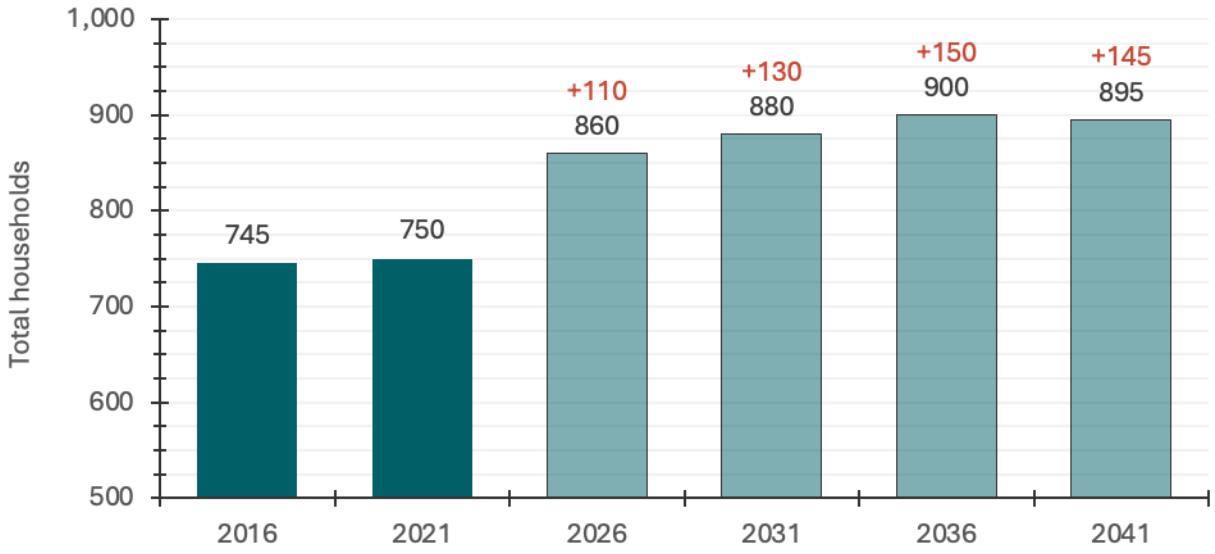
Statistics Canada defines a household as a person or group of persons sharing the same dwelling without another usual residence. A household is the highest-level descriptor of many unique living situations. Households are often categorized in this report by the primary household maintainer's age, which is the age of the person responsible for major expenses like rent, mortgage, taxes, and utilities. When multiple people share this responsibility, the first listed individual becomes the primary household maintainer.

2.2.1 Historical & Anticipated Households

Total households and the age distribution of maintainers are influenced by population changes, and driven by factors like relocations, preferences, and financial situations. Changes in household patterns typically align with broader population trends. Household growth is a key driver of housing demand. Since households need dwellings, projections are closely tied to the needed increase in housing stock to accommodate expected population changes. Economic and financial drivers, while influential, are excluded since they are difficult to predict, both in the near- and long-term.

Figure 2-3 illustrates Nakusp's 2021 estimated total households and the anticipated 20-year net growth in households.

Figure 2-3: Historical and anticipated households, net anticipated change of households since 2021



Source: Statistics Canada, BC P.E.O.P.L.E estimates, BC P.E.O.P.L.E projections

Table 2-2 summarizes historical shifts in total Nakusp households, providing insights into expected figures over the next two decades.

Table 2-2: Historical and anticipated households by primary maintainer age (BC Gov't projections)

	Total	15 to 24	25 to 44	45 to 64	65 to 84	85+
Historical households by primary maintainer age						
2016 households	745	20	190	245	250	50
2021 households	750	15	130	255	335	20
% change ('16-'21)	+1%	-25%	-32%	+4%	+34%	-60%
Anticipated households by primary maintainer age						
2026 households	860	20	195	230	365	45
% change ('21-'26)	+15%	+0%	+3%	-6%	+46%	-10%
2041 households	895	15	285	200	290	100
% change ('26-'41)	+4%	-25%	+46%	-13%	-21%	+122%
% change ('21-'41)	+19%	+0%	+119%	-22%	-13%	+400%

Source: Statistics Canada, BC P.E.O.P.L.E estimates, BC P.E.O.P.L.E projections, Turner Drake & Partners

- The province estimates that Nakusp had 750 households in 2021, up 1% from 745 in 2016.
- Growth occurred mostly among 45- to 84-year old-led households. This trend is likely to shift over time given the expected growth among 25- to 44-year olds.
- Nakusp can expect that older senior-led households (85+) will continue to grow over the next two decades. By 2041, this age group may increase by 400% (20 to 100) and could comprise 11% of total households.
- Total households may grow 19% between 2021 and 2041, reaching approximately 895. The greatest period of growth is expected to occur over the next five years (2021 to 2026). Greater relative change in total households versus total populations generally corresponds with an anticipated aging population. As a community ages, more people tend to live in smaller households (e.g. 1- or 2-person households rather than 3- or 4-person households.) This drives the average household size down and increases the number of households needed per capita.
- About 35 additional households may call Nakusp home by 2041.

2.2.2 Additional Household Characteristics

Table 2-3 summarizes the totals and distributions of households by their size per the 2016 and 2021 Censuses, as well as their respective tenure splits.

Household totals for 2016 and 2021 may differ between this and previous sections, as each section draws from different data sources with distinct purposes. This section relies on a custom Census dataset, purchased by the province from Statistics Canada, which provides more detailed information about households based on a 25% sample of the population. In contrast, the previous section's household data is from a separate provincial dataset, included here as it is an input for the province's prescribed unit demand calculations described later in the report.

Table 2-3: Historical households by household size and tenure share

2016 Census	Total	1 person	2 persons	3 persons	4 persons	5+ persons	Average HH size
Total households	760	275	260	105	85	35	2.2
Share of total	100%	36%	34%	14%	11%	5%	
Owner households	69%	64%	77%	65%	78%	50%	2.2
Renter households	31%	36%	23%	35%	22%	50%	2.1
2021 Census	**Total**	**1 person**	**2 persons**	**3 persons**	**4 persons**	**5+ persons**	**Average HH size**
Total households	760	290	315	45	80	30	2
Share of total	100%	38%	41%	6%	11%	4%	
Owner households	76%	63%	83%	100%	88%	67%	2.1
Renter households	24%	37%	17%	0%	13%	33%	1.7
% change ('16-'21)	+0%	+5%	+21%	-57%	-6%	-14%	

Source: BC Government purchased Custom Statistics Canada Census Tabulations

- One to 2-persons households grew the most between 2016 and 2021, with the largest growth amongst 2 persons households.
- Considerable growth from 2021 to 2023 (based on provincial numbers)[3], particularly among 25- to 44-year old led households, suggests that there may be concurrent increases in the number of younger adult couples. This could mean more 2-person households during that period (or even 3 or more if they are families with children or extended family).
- In 2021, the share of owner households grew, representing a shift to increased ownership between 2016 and 2021.
- Rates of rentership were highest among 1-person households, a result largely attributed to single person households generally earning less income and having less financial capacity to secure homeownership.

Table 2-4 summarizes the totals and distributions of households by their household family type per the 2016 and 2021 Censuses, as well as their respective tenure splits. Note that a "census-family with a child" includes both couples and lone parents. A "non-census family" refers to a household made up of a single person or unrelated individuals (i.e., roommates).

3 Provincial data only provides estimates of "total households" and does not offer further detail, like household size or household family type. All other sections in the Community Profile referring to households use Census results.

Table 2-4: Historical households by census-family type and tenure share

2016 Census	Total	Census-family w/o children	Census-family w/ children	Non-census family*
Total households	760	215	235	300
Share of total	100%	28%	31%	39%
Owner households	69%	82%	70%	62%
Renter households	31%	18%	30%	38%
2021 Census	**Total**	**Census-family w/o children**	**Census-family w/ children**	**Non-census family***
Total households	760	255	185	310
Share of total	100%	34%	24%	41%
Owner households	76%	82%	87%	63%
Renter households	24%	18%	13%	37%
% change ('16-'21)	+0%	+19%	-21%	+3%

** refers to a household made up of a single person or unrelated individuals (i.e., roommates).*
Source: BC Government purchased Custom Statistics Canada Census Tabulations

- The fastest growing household type between 2016 and 2021 was families without children (i.e., couples), which grew by 19% over the five years. This is likely attributed to an expanding senior-led households increasing over the same time period.
- Families with children decreased by about 21%, while couples and non-census families (i.e. single people or unrelated roommates) grew.

2.3 INCOME

Income statistics are critically important for determining affordability. How much a household earns is the most important factor in determining what type and size of home the household can afford. A household's earnings are largely contingent on the characteristics and composition of the people making up the household (e.g., how old is the household, how many people are in the household, does a household own or rent their dwelling?) Most affordability calculations use median before-tax household, or the total income earned by a household before income taxes and other elements are deducted, as the primary input.

Key Definition

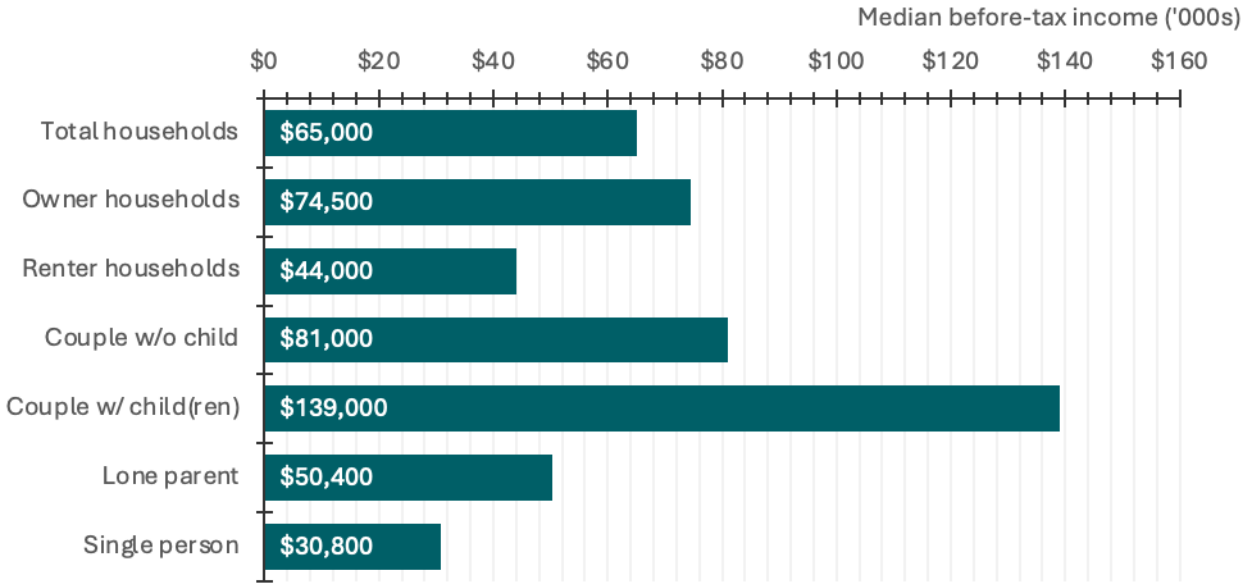
Median before-tax household income: the total income earned by a household before income taxes and other elements are deducted. Commonly used to determine housing affordability.

Note: Canadian Emergency Response Benefit (CERB) relief payments may have artificially boosted income data in the 2021 Census, obscuring some housing need. Though a necessary stimulus during the height of the COVID-19 pandemic, CERB temporarily raised the annual income for many residents of the RDCK, mostly in the lowest income brackets. Most households briefly pulled out of housing need by CERB likely returned to pre-COVID income levels after support programs ended.

2.3.1 Median before-tax household incomes

Figure 2-4 summarizes the median before-tax household incomes by tenure and household family type. Not all categories may be displayed due to suppression, which is used by Statistics Canada to ensure confidentiality for small datasets.

Figure 2-4: Median before-tax household income by tenure and household family type, 2021



Source: BC Government purchased + Turner Drake purchased Custom Statistics Canada Census Tabulations

- In 2021, the median household earned $65,000 before-tax, a 30% increase from 2016 ($49,942). As noted above, this sharp increase is likely attributed to COVID-19 relief payments.
- Two or more person households are more likely to earn greater household incomes than single earners, likely attributed to this household type having two or more incomes. For instance, couples with children had the highest median annual income ($139,000). With anticipated growth among 25- to 44-year olds, there is likely to be an increase in the number of couples, potentially resulting in a higher median income within the community.
- Owner households, which report a larger average household size, reported a higher median income than renter households.

2.3.2 Income categories

This report adopts methods used by UBC's Housing Assessment Resource Tools (HART), which uses custom Statistics Canada Census tabulations, to establish five household income categories that can help inform the share of the population most at risk of financial pressures related to housing. The categories are as follows:

- **Very low income**: 20% or less of area median household income (AMHI), generally equivalent to shelter allowance for income support recipients.
- **Low income**: 21-50% AMHI, generally equivalent to one full-time minimum wage job.
- **Moderate income**: 51-80% AMHI, generally equivalent to a starting salary, depending on the job and sector.
- **Median income**: 81-120% AMHI, representing the 'middle class.'
- **High income**: More than 120% AMHI, the group with the greatest housing wealth

Table 2-5 summarizes the share of households that belong to each income category, and the approximate range of shelter costs that a household can afford. Note that the affordable shelter costs use Statistics Canada's 30% shelter-cost-to-income ratio (i.e., affordability threshold), further adjusted to account for an assumed 25% of shelter costs being allocated to ancillary costs like insurance or utilities. In other words, the affordable shelter cost provided in the table represents only a rent or mortgage payment.

Table 2-5: Income category summary, 2021

Income category	Annual household income	Affordable shelter cost	Estimated share of total households
Very low income	≤ $13,000	< $245	2%
Low income	$13,001 to $32,500	$245 to $610	21%
Moderate income	$32,501 to $52,000	$610 to $975	16%
Median income	$52,001 to $78,000	$975 to $1,465	20%
High income	$78,001 +	$1,465 +	40%

Source: UBC Housing Assessment Resource Tools (HART)

- In 2021, about 40% of households earned a "high income," and could afford monthly mortgage payments or rent at a minimum of $1,465.
- About 23% of households earn a "very low income" or "low income," totalling about 175 households. These households can afford at most a monthly mortgage or rent of $610. Many of these households may already own their home or are eligible for shelter assistance, so they may be able to afford more than is otherwise identified. However, this income group has higher susceptibility to sudden changes in costs (whether it is a repair or increase in rent).

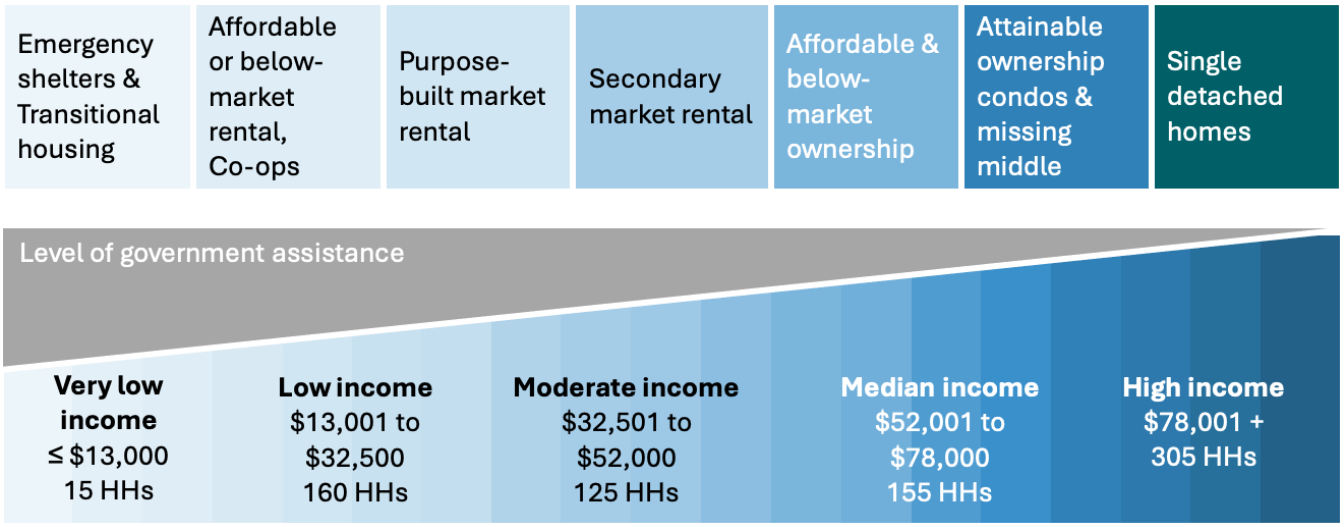
2.3.3 Income vs. Housing Continuum

Figure 2-5 illustrates a varied version of the housing continuum, originally created by the Canadian Mortgage and Housing Corporation, and demonstrates how income categories and households within each category may align along this continuum.

It is difficult to determine the exact number of households that should occupy each type of housing given the specific circumstances of individual households is not known. However, this figure provides an estimate of the number of units needed to potentially accommodate the maximum number of households' needs.

Around 175 local households with very low to low incomes (earning less than or equal to $32,500), often single individuals, are at higher risk of needing emergency housing services due to sudden personal, physical, or financial changes.

Figure 2-5: Rough distribution of households on the housing continuum



3. Housing Profile

The 2021 Census recorded 831 total dwellings in Nakusp, of which 760 were occupied by usual residents. A usual resident is an owner or renter that lives in their dwelling more than half of the year, which qualifies the dwelling as their primary place of residence. Conversely, a non-usual resident occupied dwelling could include a recreational property, short-term rental, or unoccupied dwelling.

Given these numbers, it is estimated that about 9% of local dwellings may have been used for purposes other than permanent occupation. In 2016, the rate was about 6%, indicating a marginal change towards potential recreational purposed ownership.

Table 3-1 summarises the totals and distribution by structure type for Nakusp.

Table 3-1: Dwellings occupied by usual residents by structural type and tenure, 2021

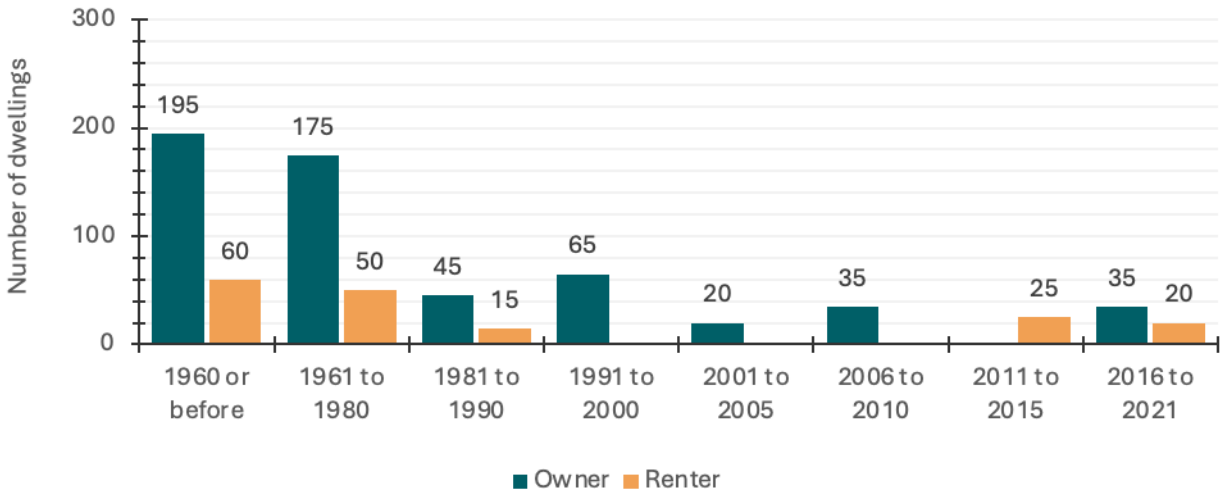
	Total	Single	Row	Semi	Duplex	Apt (<5 floors)	Apt (5+ floors)	Mobile
Total	760	605	70	25	0	35	0	30
Share	100%	80%	9%	3%	0%	5%	0%	4%
Owner	76%	88%	29%	40%	-	0%	-	100%
Renter	24%	12%	71%	60%	-	100%	-	0%

Source: BC Government purchased Custom Statistics Canada Census Tabulations

- Single-detached homes account for about 80% of the housing supply (605 units), followed by row houses at 9% (70 units) and apartments at 5% (35 units).

Figure 3-1 shows the distribution of the current dwelling stock by its age of construction, disaggregated by tenure. Note that years that display no construction may not in actuality mean no construction occurred, but instead that the volume of construction was small enough to either be suppressed by Statistics Canada for confidentiality or was rounded to 0. In either case, the lack of a reported value suggests slow activity.

Figure 3-1: Dwellings occupied by usual residents by age of construction and tenure, 2021



Source: BC Government purchased Custom Statistics Canada Census Tabulations

- Approximately 63% of local dwellings were built before the 1980s, a trend consistent for both owner and renter occupied dwellings. While owner-occupied dwelling construction expanded since 1980, renter-occupied dwelling construction was absent from 1991 to 2010.

3.1 RECENT DWELLING PERMIT ACTIVITY

Recent permit data shows that about 71 units have begun construction over the last decade (2014 to 2023). While most of the new stock was single family dwellings (with some homes including secondary suites), a notable percentage of the applications were for new multiple family dwellings (38%). On average, Nakusp permitted about 7 units annually.

Recently, the Village of Nakusp is experiencing a notable increase in subdivision applications. If all of the applications are approved, an additional 86 lots may be created over the next 5 to 10 years (without considering any future applications). This increase may be attributed to the adoption of Nakusp's OCP in 2022, which contains policies that support a variety of housing within residential areas. Language in the OCP encourages the development of Missing Middle Housing and other types of residential infill development to facilitate affordable, rental, supportive and/or seniors housing.

3.2 PROPERTY OWNERSHIP

The Census identified that approximately 9% of dwellings were reported as not being occupied by a usual resident in 2021. While a useful number to quantify the relationship between permanently and non-permanently occupied dwellings, Statistics Canada does not offer much in terms of who owns these non-permanent dwellings. Despite the lack of detailed data, some initiatives from Statistics Canada – particularly the Canadian Housing Statistics Program – provide some insights into local property ownership.

Figure 3-2 illustrates how the distribution of improved residential property ownership (i.e., a property with a dwelling on it) has changed from 2020 to 2022; specifically; what share of properties are owned locally, by residents of Canada, and by non-residents of Canada.

Key Definitions

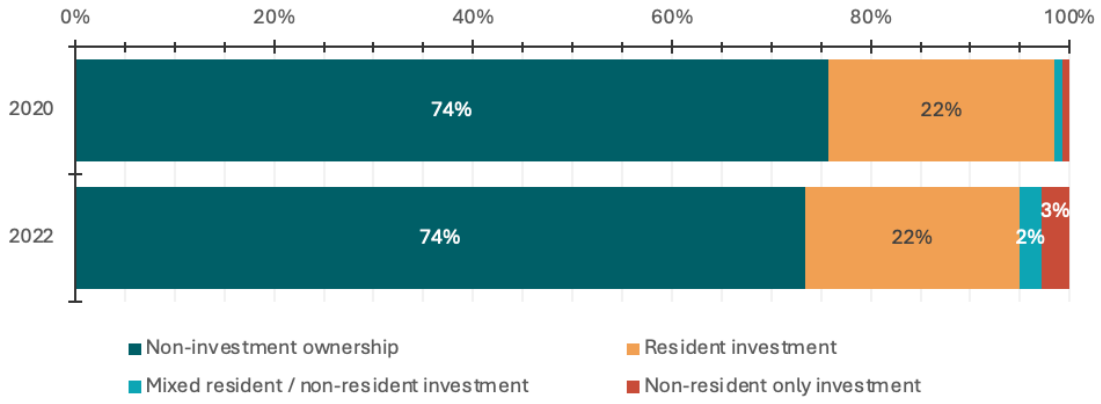
Investment property: A property owned by someone that is not identified as a primary place of residence by the owner.

Non-investment property: A property owned and occupied by the owner.

Resident: A person who lives in Canada as their primary country of residence.

Non-resident: A person who does not live in Canada as their primary country of residence.

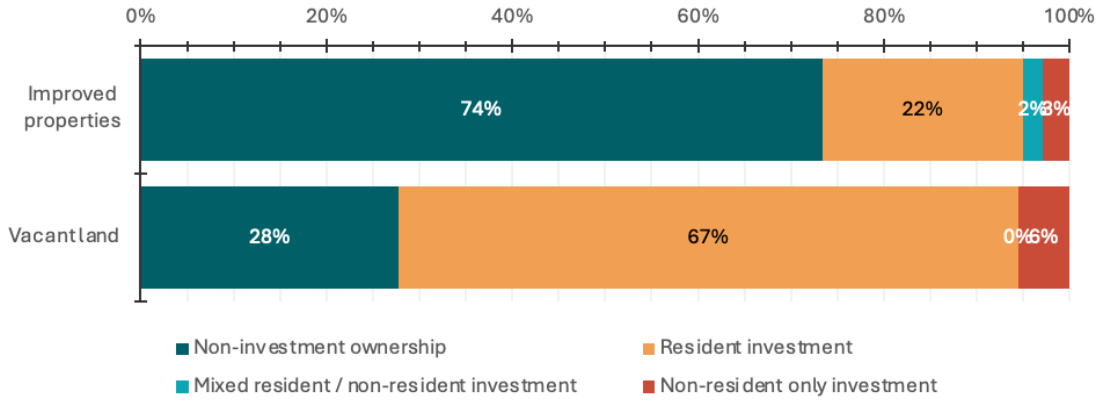
Figure 3-2: Share of local residential improved properties by ownership type



Source: Canadian Housing Statistics Program

Figure 3-3 illustrates how the distribution of ownership differs between an improved residential property and vacant land intended to be residential in 2022 (the most recent year collected).

Figure 3-3: Share of local residential improved properties versus vacant residential properties by ownership type, 2022



Source: Canadian Housing Statistics Program

- About 24% of properties with a dwelling were classified as "investments" by Statistics Canada in 2020. Included in this percentage are permanently occupied rental properties owned by someone who may or may not have lived locally.
- In the same year, about 2% of dwellings were owned, in full or partially, by someone who does not live in Canada full-time. About 1% were owned entirely by someone outside of Canada.
- By 2022, the share of non-resident participants grew slightly from 1% to 3%, which demonstrates that either previous owners living in Canada moved abroad or more people outside Canada are choosing to own local property.
- Vacant properties intended for residential uses were majority owned by resident investors, which could include locals or people elsewhere in Canada.

3.3 RENTAL UNIVERSE

The rental universe includes a variety of different types of rental housing, most commonly categorized as either primary market, secondary market, or non-market rental housing.

CMHC's Rental Market Survey provides detailed data on the primary rental market (i.e., purpose-built rentals with 3+ units). Unfortunately, CMHC only surveys communities with a population of larger than 10,000 people. Because the Village of Nakusp does not meet the minimum community size requirements, there is limited available data specific to the Village's primary rental market.

Figure 3-4 summarizes the distribution of the local rental stock based on housing types identified in the Census, including what may be considered secondary rental market apartments (i.e. rental units that are not in a purpose-built rental building). Non-market rental units are not delineated in the Census but are covered more fully in section 3.5 of this report.

Key Definitions

Primary Market Rental: Purpose-built rental buildings with at least three rental units. These units are privately initiated, usually with the intention of being offered for rent at market rates.

Secondary Market Rental: All privately rented homes not categorized as primary market rentals. Can include: Rented detached homes, duplexes, semi-detached homes or row homes, rented freehold row/town homes, rented accessory apartments or suites, and rented condominiums.

Figure 3-4: Estimated overall rental universe by dwelling type, 2021

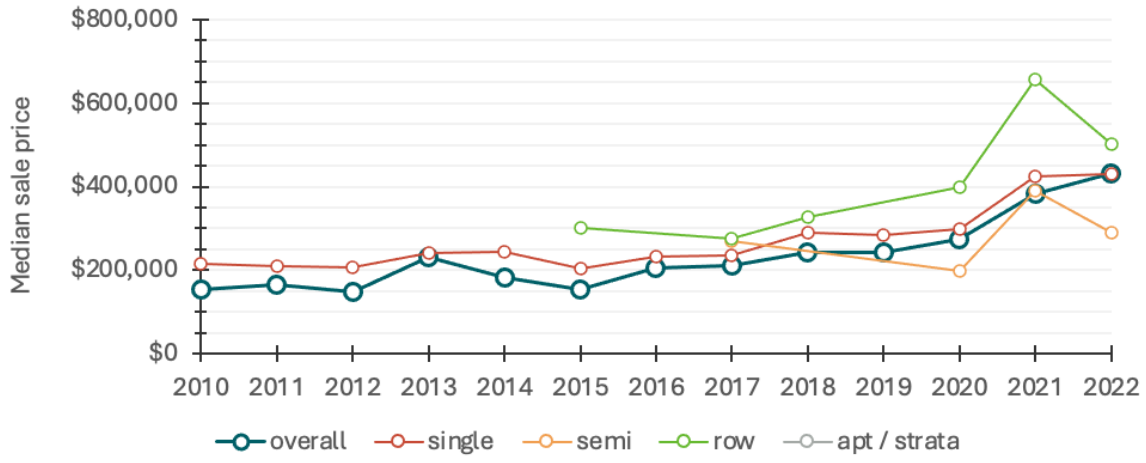
Source: BC Government purchased Custom Statistics Canada Census Tabulations

3.4 MARKET HOUSING

3.4.1 Home price trends

Figure 3-5 illustrates historical median home prices by dwelling type. The data is sourced from BC Assessment's historical revised rolls, which include sales information up to and including 2022. The dwelling types provided by BC Assessment have been reclassified to align with the categories used by Statistics Canada in their Census questionnaire.

Figure 3-5: Annual median sale price by dwelling type



Source: derived from BC Assessment

Table 3-2 offers the same data but presents the percentage change in median home prices by dwelling type over specific time intervals.

Table 3-2: Sale price and percentage change by dwelling type and select years

	Sale price				Percent change		
	2010	2016	2019	2022	'10-'16	'16-'19	'19-'22
Overall	$155,200	$206,200	$241,700	$433,000	+33%	+17%	+79%
Single-detached	$214,700	$232,900	$283,400	$430,200	+8%	+22%	+52%
Semi-detached	-	-	-	$289,000	-	-	-
Rowhouse	-	-	-	$502,500	-	-	-

Source: derived from BC Assessment

- House prices appreciated 33% between 2010 and 2016 – or about 5% annually (faster than the rate of inflation for shelter). Prices followed a similar historical trend from 2016 to 2019, rising 17%. Escalations ramped up post 2019, rising another 79% from 2019-2022.
- By 2022, the median home price had reached $433,000.

3.4.2 Homeownership attainability

Figure 3-6 compares the median home price in Nakusp to the estimated price different household types earning the median income could afford. An "affordable price" is set using a variety of mortgage assumptions and the median annual income of each household family type. The purpose is to highlight the impact of changing local incomes and prices on affordability.

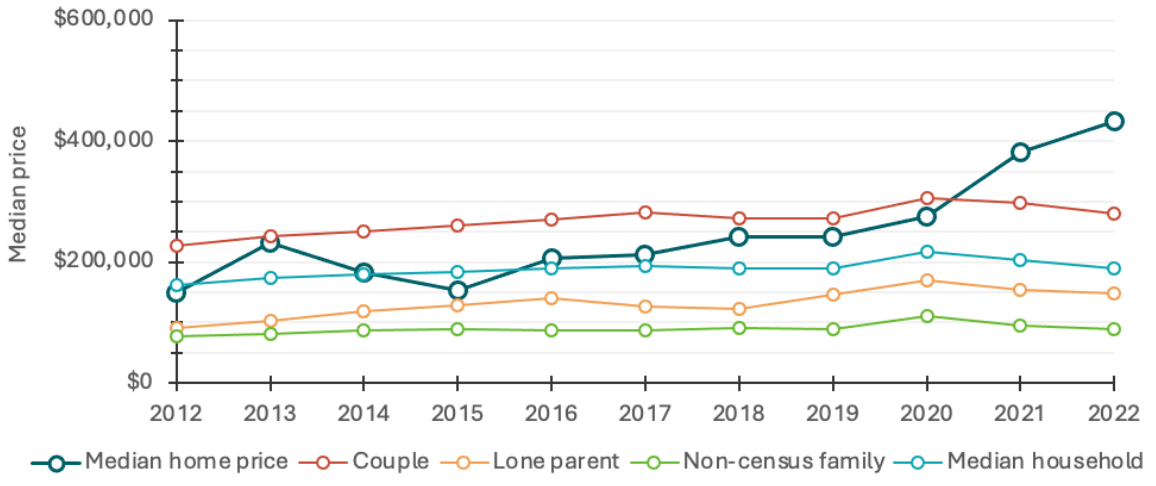
Assumptions

- Amortization period = 25 years
- Payment frequency = monthly
- Interest rate = prevailing (at given year) average weekly rate for 5-year fixed mortgage
- Down payment = 10%
- CMHC insurance = 3.10%
- Income used for shelter expenses = 30%
- Ancillary shelter costs = 25%
- Direct shelter costs (for a mortgage payment or rent) = 1 – ancillary = 75%

Calculations

- Collect 2021 median before-tax household incomes by household type, income bracket ranges, and income category ranges, as well as total households by characteristic.
- Estimate an affordable monthly payment using affordability assumptions above (i.e., income x 30% x [1 – 25%] = monthly payment).
- Convert the affordable monthly payment to an affordable purchase price, based on mortgage and down payment assumptions.
- Collect the 2022 median purchase prices by dwelling type.
- Compare median purchase prices to household budgets. If budget is below, a household's income cannot afford the purchase price.

Figure 3-6: Historical estimated affordable dwelling price by household type vs actual median home price



Source: derived from BC Assessment, custom Statistics Canada dataset[4] and mortgage assumptions

4 Statistics Canada. Table 11-10-0012-01 Distribution of total income by census family type and age of older partner, parent or individual. DOI: https://doi.org/10.25318/1110001201-eng

- From 2012 to 2020, the median couple household was the only defined household type to consistently afford the median house price. Couple households were the most capable of accessing housing given the increased likelihood of having a dual income.
- Since 2016, the median price of a home has become increasingly out of reach for all other median household types. In 2021, the median home price surpassed what the median couple income could afford for the first time.
- The gap between the median house price and the affordable threshold for the median household was approximately $17,300 in 2016. The gap widened to $243,000 by 2022.
- Homeownership attainability data highlights the notable disparity between growth in prices and growth in estimated incomes, leading to reduced purchasing power for shelter for most households in the community.

Important note: The gap between the affordable purchase price and actual price reflects the median. There are individuals or households who face significantly greater and significantly less financial challenges related to their shelter. As of 2021, 11% of owner households in Nakusp reported not reasonably affording where they live.

3.5 NON-MARKET HOUSING

Non-market housing encompasses all forms of housing not subject to market forces. This includes public or social housing, affordable housing offered by non-profit organizations, and transitional and emergency shelters, among others. According to BC Housing data for units and services under BC Housing administration (as of March 2024), there were no non-market options in Nakusp.

4. Housing Need

4.1 HOUSING CRITERIA

CMHC's Core Housing Need (CHN) metric measures three critical housing criteria and whether reasonable alternatives exist in the market. A household is in core housing need if its housing does not meet one or more of the following standards:

Adequate
Housing is considered adequate when it isn't in need of major repairs. Major repairs include defective plumbing or electrical wiring, or structural repairs to walls, floors, or ceilings.

Suitable
Housing is considered suitable when there are enough bedrooms for the size and make-up of resident households. This is according to National Occupancy Standard (NOS) requirements.

Affordable
An affordable home costs less than 30% of the occupying household's before-tax household income.

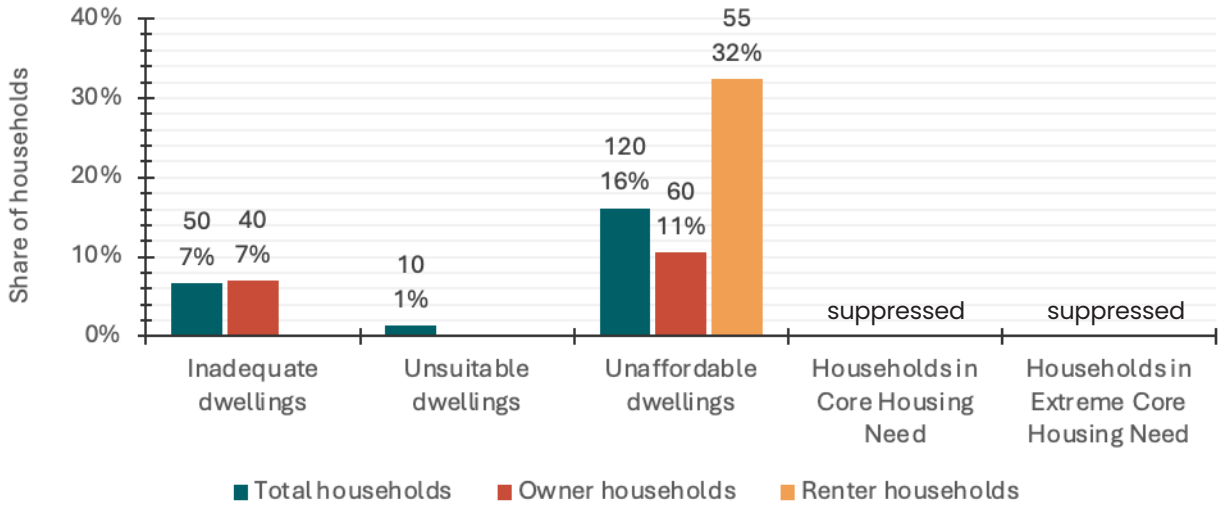
Acceptable housing is adequate in condition, suitable in size, and affordable. An added metric is "Extreme Core Housing Need (ECHN)," which refers to a household paying more than 50% of their income on shelter costs.

Historically, unaffordability has contributed the most to rates of CHN. However, a household in an unaffordable home does not necessarily mean they are experiencing CHN. **CHN also considers whether affordable alternatives exist.** In other words, CHN accounts for and does not include households living in an unaffordable home by choice (e.g., buying a home that is expensive now, but may be affordable later as the household income grows).

4.2 HOUSING NEED

Figure 4-1 shows rates of inadequacy, unsuitability, unaffordability, CHN, and ECHN for all households as well as households by tenure. Note that blanks exist where the data showed zeros, which are assumed to be cases of suppression resulting from Statistics Canada's rounding practices to protect confidentiality.

Figure 4-1: Share of households experiencing a specific housing indicator by tenure, 2021



Source: BC Government purchased Custom Statistics Canada Census Tabulations

- In 2021, about 7% of dwellings required major repair and 1% were subject to overcrowding.
- Unaffordability is the housing indicator most prevalent among households. In Nakusp, 16% of households lived in unaffordable circumstances.
- Thirty-two precent of renters reported living in an unaffordable dwelling. This percentage is significantly higher than owner households (11%).
- While Core Housing Need and Extreme Core Housing Need are suppressed, it is likely that some households (both owners and renters) are experiencing particularly difficult housing situations.

4.3 ENERGY POVERTY

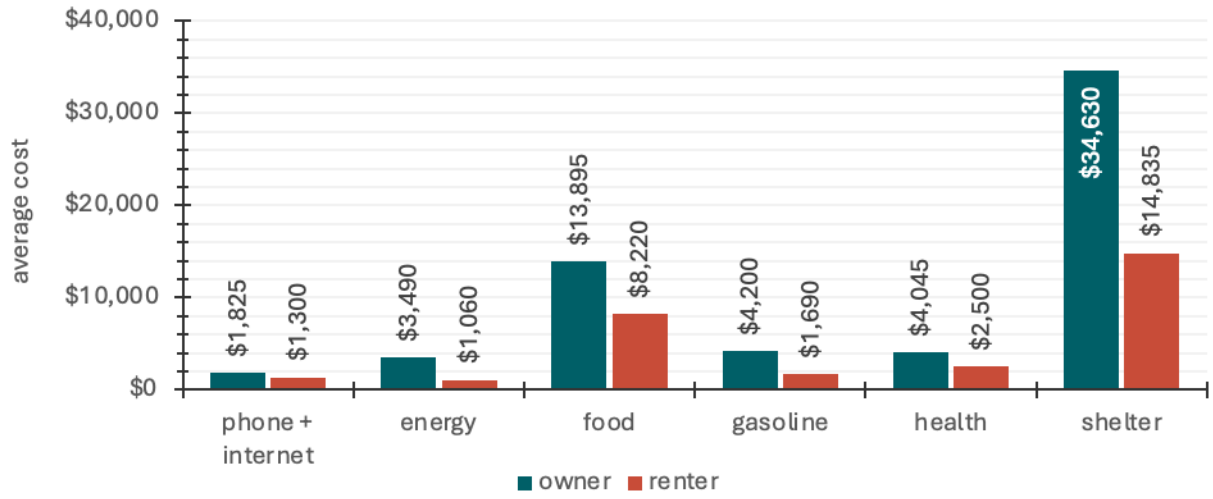
There are several expenses that contribute to the overall cost of housing. While these costs have always been a critical factor in determining a home's affordability, recent years of high inflation have brought household expenses to the forefront — namely, the rising cost of energy. Alongside increasing mortgage and rent payments, concurrently rising energy costs are pushing more households into "energy poverty."

According to the Canadian Urban Sustainability Practitioners (CUSP), energy poverty refers to the experience of households or communities that struggle to heat and cool their homes and power their lights and appliances. Canadian academics have developed three key thresholds to define a disproportionate energy cost burden relative to a household's average after-tax income. A home is considered in energy poverty if it meets any of the following criteria:

1. Spending more than 6% of after-tax income on utilities,
2. spending more than 4% of after-tax income on fuel used for transportation, and
3. spending more than10% of after-tax income for the combined of (1) and (2).

Figure 4-2 illustrates selected average annual living cost estimates for owning and renting households in Nakusp, inclusive of energy and gasoline costs. These estimates are produced using Statistics Canada's 2019 Household Spending Survey data, adjusted by inflation and estimated locally based on distributions of dwelling structure types.

Figure 4-2: Average annual household living expenses, 2023



Source: Statistics Canada Household Spending Survey, 2019 – adjusted to 2023 dollars using annual CPI

- Shelter cost estimates are the most expensive item for a household. The typical household pays approximately $14,800 annually on rent or $34,600 on a mortgage. Both figures include ancillary costs like insurance, condo fees, and taxes (if applicable).
- Food costs are the second-highest expense. With owner households generally having a higher average number of people, their reported average annual food cost is noticeably higher.
- To avoid being considered in "energy poverty," a renter household would require an after-tax income of at least $17,700 to afford the average annual energy bill, while an owner household would require an income of at least $58,200.
- To consider vehicle gasoline costs affordable, a renter household would need an after-tax income of $42,300, and an owner household would need $105,000.
- Based on after-tax household incomes reported by Statistics Canada in 2021 ($49,200 and $76,800), the most burdensome energy costs for households are vehicle expenses. This is due to the vast geographies that many residents must regularly travel.

It is important to note that results for energy poverty may be underrepresented, as they cannot quantify whether households are living comfortably or just scraping by. The closer a household is to the energy poverty line, the greater the likelihood that they must make concessions in comfort to reduce energy costs.

5. Anticipated Housing Demand

5.1 DEMAND BY COMPONENT

In June 2024, the Province of BC released a standardized HNR demand calculation methodology. The HNR Method estimates the total number of housing units required to address a community's current and anticipated housing needs over 5- and 20-year timeframes, based on publicly available data sources that can be applied to communities of various scales. It is composed of six components (labeled A through F in Table 5-1). The standardized method for calculating demand ensures that all local governments produce consistent and comparable assessments of their housing need.

It is important to note that the HNR demand calculation methodology does not consider the unique challenges to development in Nakusp, such as servicing limitations/constraints, high construction costs, the availability of trades, and planning staff capacity, among other factors. Coordinated growth management planning with the RDCK, funding from senior levels of government, and creative solutions to densification will all be required to support the Village of Nakusp to meet anticipated demand.

Table 5-1 provides a summary of the result for each component of the HNR Method for the Village of Nakusp over the next 5 and 20 years, as required by legislation.

Table 5-1: Anticipated housing demand by anticipated period and component

Component	Housing units for:	Intention	5 year (by 2026)	20 year (by 2041)
A	Households in Extreme Core Housing Need	To estimate the number of new units required for those in vulnerable housing situations. Extreme need refers to those paying more than 50% of household income on shelter costs.	3	11
B	Individuals experiencing homelessness	To quantify the supply of permanent housing units required for those currently experiencing homelessness.	5	10
C	Suppressed households	To address those households that were unable to form between 2006 and the present due to a constrained housing environment.	6	22
D	Anticipated household growth	To quantify the additional households required to accommodate an increasing population over twenty years. Note that anticipated growth for municipalities is based on the average of local and regional projections (thus, population / household growth trends discussed above may not follow the same trajectory as dwelling projections) and electoral areas use solely regional projections.	103	202

Component	Housing units for:	Intention	5 year (by 2026)	20 year (by 2041)
E	Increasing the rental vacancy rate to 3%	To add surplus rental units to restore local vacancy rates to levels representing a healthy and well-functioning rental housing market. Typically, rates between 3% and 5% are considered healthy rates.	1	3
F	A local demand buffer	To reflect additional demand for housing within a given community, beyond the minimum units required to adequately house current and anticipated residents. This is called the "demand buffer" and is designed to better account for the number of units required to meet "healthy" market demand in different communities. For the purposes of HNRs, a demand factor is based on a ratio of housing price to housing density, and is calculated for each applicable community.	13	53
TOTAL			130	302

Source: HNR demand calculation methodology (link)

HNR Method Considerations

The HNR method prescribed by the BC Government is a standardized demand calculation methodology to ensure that all local governments produce consistent and comparable assessments of their housing need. This methodology works better for some areas than others. For municipalities with a small population base, the methodology is likely to result in an overestimate of demand. No projections are perfect, which is why the provincial legislation requires that municipalities repeat them every five years (as new information and data becomes available) as part of the HNR updates. The purpose of these projections is to serve as a target for municipalities to consider when assessing their zoning capacity to prepare for potential housing demand.

While it is required by legislation to report both the 5- and 20-year demand, the BC government is more interested in the 20-year projection. The short-term projection was a focus of the previous iteration of the HNR legislation which has since been revised to encourage communities to align housing projections with long term planning policies and tools (e.g., official community plans, zoning bylaws).

- The results indicate that Nakusp may need to build 130 units by 2026 and 302 units by 2041. While much of the demand will come from future growth, the next greatest portion relates to the demand buffer adjustment and the number of suppressed households since 2006.
- Components A, B, C, and E contemplate unmet "current" demand, and thus serve as an estimate of the existing housing shortage (without consideration of demographic growth since 2021, which is the reference year).

5.2 DISTRIBUTION OF DEMAND

5.2.1 Housing price model and dwelling size

An adaptation of the HNR Method provides a rough idea of current market and non-market housing demand and what Nakusp can expect over the 20-year projection period. HNR Method guidelines do not prescribe how to perform this analysis, which could allow for more community level discretion.

Table 5-2 summarizes the results of applying the dwelling size distributions discussed in the **2024 Regional District of Central Kootenay Housing Needs Report** to project demand in the Village of Nakusp. The outcome of this analysis is a table outlining anticipated demand, disaggregated by the number of bedrooms and intended market / price model. Note that non-market housing has been further separated into "affordable / below-market" housing (i.e., housing explicitly offered at prices below market, like the 80% of Median Market Rent criteria described by CMHC funding opportunities or rent-geared to income housing) and "deeply affordable" housing (i.e., rents offered at the shelter rate of income assistance, often combined with support services).

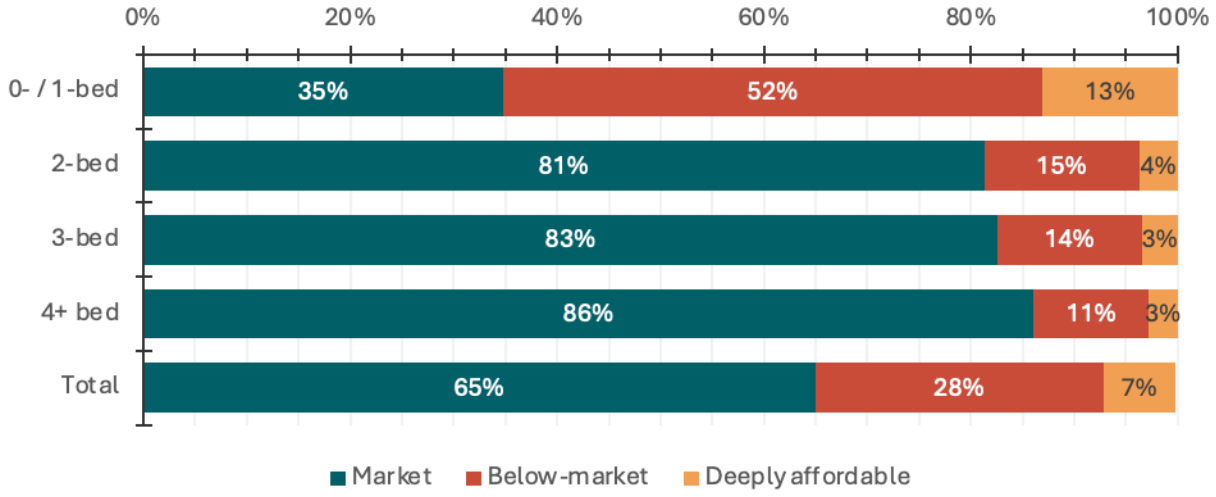
To distinguish what portion of the community might benefit from non-market housing, HART's income categories and how they overlap across the housing continuum are considered. Briefly, we apply the historical proportions of households earning "very low" and "low" incomes to demand totals. The demand for deeply affordable and below-market units represents these respective income categories.

Table 5-2: Anticipated demand disaggregated by anticipated price model and required number of bedrooms

	Market		Affordable / below-market		Deeply affordable		Total	
	5-year	20-year	5-year	20-year	5-year	20-year	5-year	20-year
0- / 1-bed	17	39	26	58	6	15	50	111
2-bed	28	65	5	12	1	3	35	80
3-bed	23	51	3	9	1	2	27	62
4+ bed	16	41	2	5	1	1	19	48
Total	85	196	36	84	9	21	130	302

Figure 5-1 illustrates the distributions of the above price models by the number of bedrooms to show what dwelling sizes are best targeted by market or non-market interventions.

Figure 5-1: Distribution of price model demand by number of bedrooms, 2041



- The 5- and 20-year demand projections suggest a need for 130 and 302 units, respectively.
- Market housing should remain the primary contributor to the local inventory, though there is a clear need for non-market interventions. By 2041, Nakusp may need 84 affordable / below-market offerings and 21 additional deeply affordable units.
- Engagement respondents expressed the importance of ensuring all demographics have access to non-market, affordable housing options in the communities they live in.
- As suggested by the calculated shares of units by number of bedrooms, market housing demand will likely focus more on 2- and 3-bedroom units; whereas, non-market solutions may distribute more to 0- and 1-bedroom dwellings.

5.2.2 Housing price model and tenure

For the most part, the market will ultimately decide whether new dwellings are built for rental or ownership based on prices and preferences. However, adapting data to estimate how demand might be distributed between owner and renters is useful for understanding which price models might be most needed over time.

Table 5-3 showcases the results of this analysis (with greater detail in the regional housing report, highlighting how different forms of housing may be distributed by size).

Table 5-3: Anticipated demand disaggregated by anticipated price model and tenure

	5-year (by 2026)		20-year (by 2041)	
Price model:	Owner	Renter	Owner	Renter
Market housing	58	27	135	61
Affordable / below-market	14	22	33	51
Deeply affordable	0	9	0	21
Total	72	58	168	134

- While it is likely that market housing demand will mainly be for owner-occupied housing, there is a notable forecasted interest in expanding the local market rental inventory.
- Non-market solutions typically take the form of rentals, but data suggests there could be demand for below-market ownership options, which could mean considering alternative forms of ownership such as co-operatives or community land trusts if funding and support programs materialize.

6. Bill 44 Analysis and Recommendations

Bill 44 – Housing Statutes (Residential Development) Amendment Act includes a suite of legislative changes to the local government land use planning framework aimed at providing additional housing in British Columbia communities. As previously noted, all local governments are now required to use a standardized projection method to understand housing needs over the next 5 and 20 years. The new legislation mandates that municipalities update Official Community Plans (OCPs) and zoning bylaws to permit the total anticipated housing demand over at least the next 20 years, as identified by the HNR Method. OCPs must also include policies that address a wide range of housing types (e.g. affordable housing, rental housing, seniors housing, family housing, etc.). Local governments must complete their first review and OCP update based on the interim HNR projections by December 31, 2025.

Bill 44 also includes legislative amendments that require local government bylaws to allow for small-scale, multi-unit housing (SSMUH). SSMUH describes a range of housing units that can provide attainable housing for middle-income families, including secondary suites in single family dwellings, detached accessory dwelling units, triplexes, townhomes, and house-plexes. Local governments and regional governments were required to update their bylaws by June 30, 2024, to accommodate SSMUH.

To support the Village of Nakusp to complete the required OCP and corresponding zoning bylaw updates, the consulting team has identified several best practices and considerations for meeting the requirements of Bill 44. The team reviewed the Nakusp OCP and identified areas for policy intervention, outlined in Table 6-1. It is important to note that this review is a starting point for staff and should not be considered a complete review. A full OCP update with specific policy recommendations is outside the scope of a typical HNR.

Table 6-1: Bill 44 best practices and considerations for legislated OCP updates

Best Practice:	OCP Alignment/non-alignment:	Recommendations:
Low density language in the OCP (often referred to as "traditional residential or "stable residential) should explicitly support various forms of missing middle and small scale multi-residential. No zones/ areas within the Village should exclusively allow single detached dwellings or single-family homes.	Some language in Nakusp's Official Community Plan (OCP) aligns with best practices for supporting a variety of housing types within residential neighborhoods. **Policy 4.3.1** explicitly speaks to encouraging the development of Missing Middle Housing and other types of residential infill development to facilitate affordable, rental, supportive and/or seniors housing needs in the Neighborhood Core Area. The OCP also states that Accessory Dwelling Units (ADUs) are encouraged in the Downtown Core and may include cottage housing, laneway housing, and other dwelling forms on smaller lots. However, the OCP also includes some restrictive language that may limit density, as noted below: **Policy 4.3.2** – "Support residential development within the Neighbourhood Core at a density of up to 10 units per acre (UPA)." **Policies 4.2.5/4.6.4** – "A Master Plan shall be required for multi-residential and new developments above 10 UPA and / or for development on parcels greater than 2.47 acres (1 hectare) in area. For further direction on Master Plan submission requirements, see Appendix A: Master Plan Submission Requirements." **Policy 4.3.6** – "One (1) Accessory Dwelling Unit (ADU) per 0.2 acres (0.08 hectares) shall be permitted on existing residential parcels to a maximum of five (5) ADUs per parcel. A Master Plan shall be submitted detailing unit location, parking, access, and servicing."	Remove unit restrictions within the Neighborhood Core and Downtown Core. Remove Master Plan submission requirements in the Neighborhood Core, Downtown Core, and Comprehensive Community policy areas for SSMUH units. Removing restrictions such as these will reduce regulatory barriers, allowing for quicker and more flexible development in areas that support residential growth.

Best Practice:	OCP Alignment/non-alignment:	Recommendations:
Consider allowing purpose built rental apartments in several areas in the Village rather than solely in growth/core/arterials. This could encourage more purpose-built rentals in areas throughout the Village. This type of housing is important for a community as it is often the only form of housing that is accessible to lower-income families, seniors, and young people.	Rental housing is only explicitly mentioned in Policy 4.3.1 (noted above). Although mixed-use and multi-residential development is mentioned in the strategy for the Downtown Core, there are no policies specifically related to purpose built rental development.	Add new policies in the Downtown Core and Comprehensive Community policy areas to explicitly encourage the development of purpose-built rentals.
Ensure Development Permit Area (DPA) policies and guidelines do not unreasonably prohibit or restrict SSMUH development. According to the provincial policy manual, local governments are discouraged from using DPAs to regulate form and character of SSMUH development in all but exceptional circumstances. It is recommended to amend existing DPAs to remove SSMUH developments from intensive or multi-family residential definitions.	The Village Core DPA enforces landscaping and building design requirements in the Neighborhood Core, as noted in the policy below. **Policy 4.3.8** – "Enforce landscaping and building design requirements in areas of the Neighbourhood Core through the Village Core, Gateway, and Steep Slope Development Permit Areas (DPAs)." Exceptions are only permitted for single-detached residential developments and accessory dwellings, as noted in the policy below. **Policy 5.4.21** – "Building Form, Massing, and Materiality, and Landscaping policies apply to all buildings except for single-detached residential developments and accessory buildings less than 46.45 m2 (500 ft2) within the Village Core DPA."	Amend existing DPAs to remove SSMUH developments from intensive or multi-family residential definitions. This amendment reduces regulatory barriers, allowing for quicker and more flexible development. Revising these policies aligns with the provincial recommendation to support more flexible and diverse housing options, applying additional regulations only in exceptional cases.

Best Practice:	OCP Alignment/non-alignment:	Recommendations:
The life-cycle costs of infrastructure and servicing are significantly more cost-efficient when growth occurs in existing neighbourhoods, and within urban containment boundaries, compared to sprawl. Local governments should focus growth in areas that are already serviced.	The OCP policies align with the best practice as it states that new development in the Village should occur within the Village's current boundary and be serviced from adjacent or nearby services to support a variety of housing types within residential neighborhoods (**Policy 3.3.ii**). To ensure the fiscal sustainability of Nakusp and maximize the capacity of current infrastructure systems, the Village intends to prioritize growth and development of lands in close proximity to existing servicing infrastructure. A Servicing Master Plan (immediate action in 7.3 Strategic Implementation) will be used to inform and guide growth prioritization.	No recommendations – existing language in the OCP is aligned with the best practice.

7. Conclusion

The Village of Nakusp's housing landscape is evolving, driven by a notable anticipated increase in both population and households from 2021. This growth will likely lead to a sustained rise in housing demand.

Population expansion has coincided with dramatic price increases. The median home price appreciated 79% between 2019 and 2022. This has exacerbated housing affordability challenges and put further strain on the rental market. Low vacancy rates across the RDCK and limited supply are expected to further challenge current and future residents looking for both rental and ownership housing.

In 2021, approximately 16% of Nakusp households lived in unaffordable circumstances. Meeting the demand for affordable housing options in the community is crucial. Estimates suggest that about 105 non-market units could be required over the next 20 years to meet the needs of those most vulnerable. Overall, the Village of Nakusp may require an additional 302 housing units by 2041 to mitigate existing and future market imbalances.

The Village of Nakusp recognizes that housing affordability is a key topic for residents. As outlined in their OCP, the Village understands there is a clear need for housing that is affordable and accessible for all sectors of the population and is actively encouraging a greater diversity of housing choices to better suit the needs of current and future residents. The Town is also taking proactive steps to ensure its infrastructure can meet future development pressures by initiating projects like the Waste Water Treatment Optimization Project.

The data presented here is intended to support and supplement the important work already being undertaken by the Village and its partners. Though it will be challenging, the Village of Nakusp, with support from the RDCK, non-profit and profit partners and senior levels of government, is more than capable of addressing the housing needs outlined in this report.

Consulting support from:

M'AKOLA DEVELOPMENT SERVICES

TURNER DRAKE & PARTNERS LTD.

THE VILLAGE OF
NAKUSP

Village of Nakusp Housing Needs Report Update

REGIONAL DISTRICT OF CENTRAL KOOTENAY COMMUNITY PROFILES

APPENDIX A:
DEFINITIONS

Definitions

"bedrooms" refer to rooms in a private dwelling that are designed mainly for sleeping purposes even if they are now used for other purposes, such as guest rooms and television rooms. Also included are rooms used as bedrooms now, even if they were not originally built as bedrooms, such as bedrooms in a finished basement. Bedrooms exclude rooms designed for another use during the day such as dining rooms and living rooms even if they may be used for sleeping purposes at night. By definition, one-room private dwellings such as bachelor or studio apartments have zero bedrooms;

"census" means a census of population undertaken under the Statistics Act (Canada);

"census family" is defined as a married couple and the children, if any, of either and/or both spouses; a couple living common law and the children, if any, of either and/or both partners; or a lone parent of any marital status with at least one child living in the same dwelling and that child or those children. All members of a particular census family live in the same dwelling. A couple may be of opposite or same sex;

"components of demographic growth" refers to any of the classes of events generating population movement variations. Births, deaths, migration, marriages, divorces, and new widowhoods are the components responsible for the variations since they alter either the total population or the age, sex, and marital status distribution of the population:

"emigrant" refers to a Canadian citizen or immigrant who has left Canada to establish a permanent residence in another country.

"immigrant" refers to a person who is, or who has ever been, a landed immigrant or permanent resident. Such a person has been granted the right to live in Canada permanently by immigration authorities;

"interprovincial migration" refers to movement from one province or territory to another involving a permanent change in residence. A person who takes up residence in another province or territory is an out-migrant with reference to the province or territory of origin and an in-migrant with reference to the province or territory of destination;

"intraprovincial migration" refers to movement from one region to another within the same province or territory involving a permanent change of residence. A person who takes up residence in another region is an out-migrant with reference to the region of origin and an in-migrant with reference to the region of destination;

"non-permanent residents" refers to persons who are lawfully in Canada on a temporary basis under the authority of a temporary resident permit, along with members of their family living with them. Non-permanent residents include foreign workers, foreign students, the humanitarian population and other temporary residents;

"core housing need" is when housing falls below at least one of the adequacy, affordability or suitability standards and it would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that meets all three housing standards;

"adequate housing" means that, according to the residents within the dwelling, no major repairs are required for proper use and enjoyment of said dwelling;

"affordable housing" means that household shelter costs equate to less than 30% of total before-tax household income;

"suitable housing" means that a dwelling has enough bedrooms for the size and composition of resident households according to National Occupancy Standard (NOS) requirements;

"dwelling" is defined as a set of living quarters. Two types of dwelling are identified in the Census, collective dwellings and private dwellings. The former pertains to dwellings which are institutional, communal or commercial in nature. The latter, Private dwelling refers to a separate set of living quarters with a private entrance either from outside the building or from a common hall, lobby, vestibule or stairway inside the building. The entrance to the dwelling must be one that can be used without passing through the living quarters of some other person or group of persons;

"private dwelling occupied by usual residents" refers to a private dwelling in which a person or a group of persons is permanently residing. Also included are private dwellings whose usual residents are temporarily absent on May 11, 2021.

"private dwelling not occupied by usual residents" refers to a private dwelling which is not considered the primary place of residence of a household over a calendar year.

"dwelling type" means the structural characteristics or dwelling configuration of a housing unit, such as, but not limited to, the housing unit being a single-detached house, a semi-detached house, a row house, an apartment in a duplex or in a building that has a certain number of storeys, or a mobile home;

"single-detached house" means a single dwelling not attached to any other dwelling or structure (except its own garage or shed). A single-detached house has open space on all sides, and has no dwellings either above it or below it. A mobile home fixed permanently to a foundation is also classified as a single-detached house;

"semi-detached house" means one of two dwellings attached side by side (or back to back) to each other, but not attached to any other dwelling or structure (except its own garage or shed). A semi-detached dwelling has no dwellings either above it or below it, and the two units together have open space on all sides;

"row house" means one of three or more dwellings joined side by side (or occasionally side to back), such as a townhouse or garden home, but not having any other dwellings either above or below. Townhouses attached to a high-rise building are also classified as row houses;

"duplex" (also known as apartment or flat in a duplex) means one of two dwellings, located one above the other, may or may not be attached to other dwellings or buildings;

"apartment in a building that has five or more storeys " means a dwelling unit in a high-rise apartment building which has five or more storeys;

"apartment in a building that has fewer than five storeys" means a dwelling unit attached to other dwelling units, commercial units, or other non-residential space in a building that has fewer than five storeys;

"mobile home" means a single dwelling, designed and constructed to be transported on its own chassis and capable of being moved to a new location on short notice. It may be placed temporarily on a foundation pad and may be covered by a skirt;

"extreme core housing need" has the same meaning as core housing need except that the household has shelter costs for housing that are more than 50% of total before-tax household income;

"household" refers to a person or group of persons who occupy the same dwelling and do not have a usual place of residence elsewhere in Canada or abroad;

"owner household" refers to a private household where some member of the household owners the dwelling, even if it is still being paid for;

"renter household" refers to private households where no member of the household owns their dwelling. The dwelling is considered to be rented even if no cash rent is paid;

"household maintainer" refers to whether or not a person residing in the household is responsible for paying the rent, or the mortgage, or the taxes, or the electricity or other services or utilities. Where a number of people may contribute to the payments, more than one person in the household may be identified as a household maintainer. In the case of a household where two or more people are listed as household maintainers, the first person listed is chosen as the primary household maintainer;

"household size" refers to the number of persons in a private household;

"household type" refers to the differentiation of households on the basis of whether they are census family households or non-census-family households. Census family households are those that contain at least one census family;

"migrant" refers to a person who has moved from their place of residence, of which the origin is different than the destination community they reported in. Conversely, a non-migrant is a person who has moved within the same community;

"mobility status, one year" refers to the status of a person with regard to the place of residence on the reference day in relation to the place of residence on the same date one year earlier;

"primary rental market" means a market for rental housing units in apartment structures containing at least 3 rental housing units that were purpose-built as rental housing;

"Rental Market Survey" refers the collection of data samples from all urban areas with populations greater than 10,000 and targets only private apartments with at least three rental units. Among the information provided are median rental prices for units within the primary rental market;

"secondary rental market" means a market for rental housing units that were not purpose-built as rental housing;

"shelter cost" refers to the average or median monthly total of all shelter expenses paid by households that own or rent their dwelling. 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. For renter households, shelter costs include, where applicable, the rent and the costs of electricity, heat, water and other municipal services;

"subsidized housing" refers to whether a renter household lives in a dwelling that is subsidized. Subsidized housing includes rent geared to income, social housing, public housing, government-assisted housing, non-profit housing, rent supplements and housing allowances;

"tenure" refers to whether the household owns or rents their private dwelling. The private dwelling may be situated on rented or leased land or be part of a condominium. A household is considered to own their dwelling if some member of the household owns the dwelling even if it is not fully paid for, for example if there is a mortgage or some other claim on it. A household is considered to rent their dwelling if no member of the household owns the dwelling;

"vacancy" means a unit that, at the time of the CMHC Rental Market Survey, it is physically unoccupied and available for immediate rental.