Town of Clarenville

HOUSING NEEDS ASSESSMENT

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ACKNOWLEDGEMENT

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1 EXECUTIVE SUMMARY

1   EXECUTIVE SUMMARY

Like many Canadian communities, the Town of Clarenville is experiencing mounting housing pressures, as demonstrated by an expanding population and associated increasing sale prices related to residential demand growth.

With the inflow of people and households from outside the community, and the demonstrated impact on local housing market conditions, the Town of Clarenville retained Turner Drake & Partners and UPLAND planning + design to perform a Housing Needs Assessment (HNA). A HNA offers a glimpse in to the community's past trends, current conditions, and anticipated changes to give a comprehensive picture of local housing need. The following is a brief summary of the achieved results.

1.1   Population

- The Town of Clarenville's total population grew by 7% between the 2016 and 2021 Census periods, reaching 6,705 people. Estimates suggest the population may have been 6,810 in 2023.

- Growth was primarily led by notable relative increases to total senior aged (65+) residents. Older working-age adults (45 to 64) also grew, combining for enough of an expansion to outweigh losses in 0 to 14 and 25 to 44 year old age groups (i.e., young family aged persons).

- Mobility trends, as well as a comparative analysis to adjacent communities, suggests that much of the municipality's population rise comes from people moving to Clarenville from elsewhere in Newfoundland.

- Population projections anticipate a 10% increase from 2023 and 2038. Growth should continue among seniors' cohorts, with support from a rise in 25-to-44-year-olds.

- Stakeholders highlighted that the recent increase in population has resulted in some strain on services such as healthcare, community groups, and other social supports.

1.2   Households

- As the population increased from 2016 to 2021, so too did total households – growing 12% during that period to 2,805. Estimates suggest total households may have been 2,825 in 2023. Like population, household growth was primarily led by older working-age adult and senior-led households.

- About 34% of Clarenville's households rented the dwelling they occupied in 2021, up from 31% in 2016. A comparative analysis against nearby geographies suggests that Clarenville renter household growth could be linked in part to losses of homeowners outside the municipality.

- Related to senior-led household growth, couples without children and non-census families (which includes single persons) were the only household family type categories to expand during that period. Similarly, only 1- and 2-person households grew over the five years.

- Projections anticipate that total households could grow 17% from 2023 to 2038 – or 480 new households – with most growth allocated to those that are senior-led.

1.3   Economy

- While there is a clear rapidly aging population, there was an increase to the total labour force (i.e., those working or actively seeking work). However, rates of growth among non-labour force persons (those not participating in or seeking employment) outweighed new workers, leading to a decrease in the community participation rate from 63.8% to 62.1%.

- As total seniors increase, so too will the economic dependency ratio of Clarenville. Notwithstanding, projections suggest that there will still be more local working-age adults than dependents (i.e., youth and seniors) over the foreseeable future.

- Clarenville's median before-tax household income was $72,500 in 2021, down 5% since 2016 – another likely result of a growing senior population. Highest incomes belong to larger households like couples; whereas, small, single income earning persons face the greatest financial hurdles.

- Estimates indicate that about 4% of local households earned less than $14,500 before-tax annually in 2021 – categorized as "very low income" earners. About 16% earned between $14,500 and $36,250 – "low income" earners. These households are those that are most likely to be in some form of housing need.

- Stakeholders noted a correlation between economic activity in the area with the availability and affordability of housing and the cyclical nature of this "boom-bust" phenomena. During periods of economic growth (such as local projects in the energy sector), housing demand increases as workers arrive. This increase in demand is followed by increasing housing costs, leading to the displacement of low-income residents.

1.4   Housing Activity

- Single-detached homes make up the greatest share of dwellings at 65% of the 2,805 total dwellings occupied by a usual resident in Clarenville, followed by "duplex" dwellings at 20%.

- Non-market housing inventory collection efforts estimate that there were 295 units or beds across Clarenville (including financial support programs). The largest group served are seniors, with about 263 senior-centric units across the community.

- Construction activity by decade demonstrates that Clarenville has produced fairly consistent volumes of housing since the 1970s, with 2011 to 2021 boasting the highest output (525 units). Much of the boom during the last decade occurred in the first half, with only 130 added from 2016 to 2021. This signifies a recent cooling in the local residential development and construction sector.

- Sales data demonstrates that local home prices were at their peak in 2015, reaching a median value of $257,500. Prices gradually dropped from then until 2019, after which demand for local housing quickly returned to form (coinciding with the beginning of the pandemic and related shifts in migration).

- Peak homeownership affordability of the last decade likely occurred in 2020. Rising prices and increased interest rates then ate away at this relationship. In 2023, more than half of Clarenville households could not afford the median home price. Local housing ownership is largely only accessible to dual income earning households.

- Stakeholders indicate that many young residents and families are struggling to enter the housing market in Clarenville and that existing housing stock is too expensive for first-time homebuyers.

1.5   Housing Need

- Affordability challenges are most pronounced for renter households – 36% of renters allocated more than 30% of their income to housing, compared to 9% overall, in 2021.

- Affordability challenges were particularly concerning for those on income assistance as these rates have not increased at the same pace as rental prices, leaving many in precarious housing situations.

- From 2016 to 2021, Clarenville experienced a 48% decrease in households facing housing inadequacy due to major repair needs, while there was a 13% increase in households living in overcrowded conditions.

- Both homeowners and renters experienced notable increases in unaffordability rates, rising by 38% to a total of 165 households for homeowners and 36% to a total of 340 households for renters. This is an uncommon trend across Canada, as pandemic relief funds largely helped households better afford their shelter costs at the time the Census was collected.

- Students in the community, especially international students, encounter difficulties in securing housing and often find themselves in unsuitable, unaffordable and/or inadequate conditions.

- Stakeholder discussions indicated a need for emergency and transitional housing options in the community. In addition, supportive housing options are lacking, including options for residents with substance use disorders, physical or mental health challenges, or those leaving institutional care.

- We heard about the growing need for housing options that allow pets.

1.6 Housing Demand

- Derived from population and household projections, Clarenville may need to build 830 units by 2038 to meet anticipated new demand (560 units) and address existing non-market housing deficits (270 units). A summary of housing targets by dwelling size (i.e., number of bedrooms) and market type is shown below:

Table 1-1: Overall housing targets by number of bedrooms

Year	Net new demand since 2021 + 2021 non-market housing deficit	Studio / 1-bedroom units		2-bedroom units		3-bedroom units		4+ bedroom units	
		Market	Non-market	Market	Non-market	Market	Non-market	Market	Non-market
2023	290	0	195	10	60	5	20	0	0
2028	510	10	220	105	70	45	30	20	5
2033	695	30	240	200	75	75	35	40	5
2038	830	40	255	270	80	90	40	50	5

- The ability of Clarenville to meet anticipated demand depends on what construction trends the municipality follows over the next decade and a half. If continuing at the

pace of 2016 to 2021, production will fall short. To build 830 total units by 2038, Clarenville would need an approximate output of 55 units annually.

- Coinciding with an expanding senior cohort, the municipality may require that at least 147 of the units built are senior-centric, with a non-market focus (i.e., not intended for higher income earners). However, this does not account for existing unmet demand (which was demonstrated anecdotally during the stakeholder engagement by the large waitlist volumes).

- Stakeholders indicate a growing demand for smaller housing options, such as one- and two-bedroom units. Within the seniors-aged demographic, there is a demand for smaller housing options for purchase, as currently the only options available are rentals.

- There are several approaches that a community can pursue, either independently or collectively, to augment their residential inventories. One of these is to take advantage of available land. Estimates based on the 2023 assessment roll indicate that about 380 vacant properties exist across Clarenville which could provide about 475 units (if built at historical densities).

1.7 Additional Engagement Findings

- We heard a consensus among stakeholders for a more inclusive approach to social housing, advocating for the dispersal of units across various neighbourhoods to foster community cohesion and alleviate the stigma associated with affordable housing.

- Some residents are living in unsafe and unhealthy conditions in Clarenville, such as dwellings with rodent infestations or mold. Landlord inaction has prompted some residents to seek doctors' notes to compel landlords to address these issues.

- Access to support services for those in housing need was also highlighted as a significant challenge in Clarenville. New Canadians, those facing financial hardships, and others navigating unexpected and challenging circumstances (such as people fleeing domestic violence or family breakdowns) find it hard to access resources and services in the community.

- Existing housing service providers are overwhelmed by the demand for their services and are struggling to keep up with inquiries, resulting in delayed response times and limited support for those seeking assistance.

- Public transportation came up extensively during stakeholder engagement. We heard a strong and united call for better, less expensive transportation options in the community. Stakeholders view this issue as intrinsically tied to the issue of housing and the need to better serve vulnerable populations such as low-income residents, newcomers, seniors, and students, among others.

2   RECOMMENDATIONS

2 RECOMMENDATIONS

The following key recommendations emerged through the Housing Needs Assessment process. They respond to the findings identified in this report and attempt to recognize the ability and limitations of municipal government scope and policy approaches.

2.1 Deepen and explore new partnerships with non-market housing providers

Municipal policy tools are often limited – the Province and Federal government are predominantly responsible for the provision of affordable housing. Even so, municipalities and their partners are usually best positioned to address housing need and most aware of specific service gaps.

2.1.1 Advocate for increased support from senior levels of government.

a. With other municipalities, continue to advocate for increasing housing funding and tools for non-profit developers and local governments, as well as housing adjacent infrastructure issues (e.g., public transportation, active transportation, water and sewer capacity).

b. Partner with senior government to unlock developable land.

c. Maintain awareness of CMHC funding opportunities (e.g., last year's Housing Accelerator Fund program).

2.1.2 Support non-profits who bear much of the cost of housing service delivery.

a. Advocate on behalf of these organizations.

b. Take on more direct roles with these organizations (e.g., becoming members of their boards).

c. Explore partnership opportunities (i.e., with non-profits, businesses, realtors, builders, community groups, etc.) focused on:

   i.   Expanding the reach of housing supports and services among public, private, and non-profit housing providers.

   ii. Transferring knowledge about development and real estate in general as well as operating best practices that promote energy efficiency, safety and maintenance.

   iii. Educating landlords on the value of aging-in-place services and the nature of trauma and harm reduction.

   iv. Accessibility and adaptable housing design.

2.1.3 Identify and collaborate with local employers looking to explore developing worker housing.

    a.   Help identify surplus land opportunities across the municipality, with ideal locations near major employers and/or amenities.

    b.   Communicate and guide employers through the development approval process.

    c.   Explore possible relationships between employers and local / regional housing providers by leveraging community relationships and partnerships.

2.2 Educate residents and industry about local housing needs

The municipal government can continue to play a key role in building awareness of housing need and in promoting the acceptance of new housing among residents and industry players. The government can also continue to coordinate and collectively build on regulatory, advocacy, and education initiatives.

2.2.1 Educate residents on the value of new housing; particularly, affordable housing.

    a.   Work with community partners to address stigma around non-market housing.

    b.   Support the development of education material and guides.

    c.   Use a fact-based approach to effectively manage "Not In My Backyard" responses to planning applications for all types of housing.

2.2.2 Educate property owners about their zoning permissions and development rights.

    a.   Communicate the development potential of neighbourhoods with residents, particularly within those areas where more units are permitted but not executed.

    b.   If areas continue to not develop to their potential, create a feedback loop to allow residents / stakeholders to share their major obstacles to determine if there are unintended regulatory hurdles.

2.3 Promote and protect market housing affordability

Quantitative data shows generally worsening affordability conditions relative to median incomes, but affordability concerns are particularly acute among low- or single-income households. This is most pronounced in the homeownership market, but is also likely occurring for rentals – which remain the most financially accessible form of market housing.

Additional rental options will not completely solve housing affordability concerns, but expanding available stock in the market can help alleviate immediate issues for many priority

populations including seniors hoping to downsize, single-income households, students, and families unable to find appropriately sized units.

2.3.1 Identify disposable non-profit, municipal, provincial, and/or federal government land and vacant buildings that can be used for affordable housing.

a.   Transfer land to non-profit or private entities that can facilitate more affordable ownership options and affordable rental housing.
b.   Work with and support non-profit organization that have available land but cannot readily initiate development opportunities.
c.   Consider working with realtors to market available land.

2.3.2 Encourage the development of purpose-built rental and smaller and denser units in all residential areas (where servicing is appropriate).

a.   Promote housing types that are attainable to lower income households.
b.   Where appropriate and subject to servicing, consider increasing density (even if marginally) across neighbourhoods (e.g., decreasing lot area or increasing lot coverage requirements per unit for multi-unit buildings).
c.   Consult with private and non-profit housing providers on any zoning barriers impacting the provision and cost of housing.

2.4 Track and promote the non-market housing inventory.

Non-market housing is a crucial component of the overall housing inventory. While market housing is the main provider of shelter, its profit-based model cannot meet the needs of those experiencing the greatest housing hardship.

2.4.1 Keep an inventory of non-market housing across Clarenville.

a.   Develop and maintain relationships with non-market stakeholders; particularly those who actively seek to provide new non-market opportunities.
b.   Regularly review and update the non-market inventory.

2.4.2 Be open to supporting all non-market housing opportunities where capacity and resources allow.

a.   Prioritize projects in areas with proximity to essential services, employment opportunities, educational institutions, and amenities to ensure residents have convenient access to necessary resources and can fully integrate into their community.

2.5   Explore initiatives related to housing and housing accessibility.

The provision of housing is crucial, but the effectiveness of said housing is also defined by where it is located and how it can be accessed.

2.5.1   Explore introducing a public transportation network to improved access between housing and amenities / services.

    a.   Before a best practice review of small urban communities across Canada who have implemented applicable approaches (e.g., the Town of Yarmouth, Nova Scotia).

    b.   Involve residents, businesses, and other stakeholders in the discussion of public transportation and infrastructure projects.

2.5.2   Emphasize the importance of infrastructure projects that improve walkability and connectivity across the municipality – such as sidewalks, bike lanes, and pedestrian pathways that connect residential areas with key amenities and services.

Stakeholder insight:

A significant gap highlighted by stakeholders **is access to social services and community resources**. Individuals new to Canada, those facing financial struggles, or those unexpectedly navigating challenging circumstances, such as family issues, encounter considerable difficulty in accessing and obtaining information about available resources. There is a recognized need for concerted efforts among social services, healthcare providers, non-profit organizations, and municipal authorities to enhance the availability and awareness of these resources.

Additionally, **community spaces and social gatherings are limited** in the Clarenville area. Many social events catering to adults primarily take place in bars or similar establishments, leaving few alternative options for social connection. Furthermore, a recent increase in population has put a strain on already existing services, with healthcare, community groups, and social supports feeling the pressure. Enhanced coordination and expanded facilities are necessary to support the growing and diverse needs of the community.

3 PROJECT CONTEXT & BACKGROUND

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3.1 Purpose

The purpose of this report is to develop an understanding of the current and anticipated housing conditions across the Town of Clarenville. Generally, this work strengthens the ability of local stakeholders and government to identify:

- current housing need;
- local development trends;
- projected housing demand; and
- potential housing indicators for continued community monitoring.

Overall, a housing needs assessment provides an overview of existing and anticipated conditions to illuminate the opportunities that might exist to expand upon or create new partnerships critical to the provision of housing.

3.2 Study Area Overview

The report provides data specific to the Town of Clarenville whenever possible. However, it does use regional (Division No. 7 or Clarenville-Bonavista – depending on the source) and provincial data where gaps exist. Figure 3-1 illustrates the Town's location relative to the regional areas and the province.

Figure 3-1: Location of Town of Clarenville
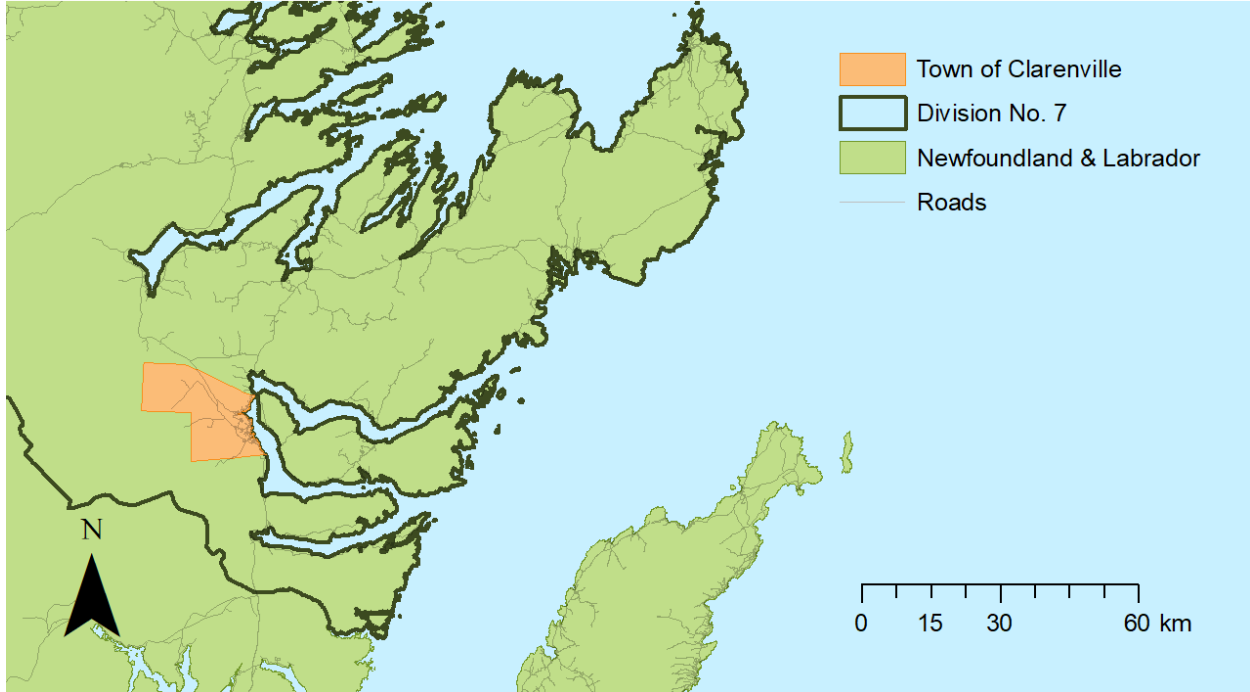
Source: Statistics Canada boundary files & Statistics Canada 2010 Road Network File

3.3 Why Do We Need This Study?

Housing Needs Assessments have gained widespread adoption as tools to quantify and understand existing and anticipated housing market conditions. Their increased popularity stems from the persistent challenges facing the housing market both locally in Clarenville and across Canada.

In 2023, Clarenville conducted an open survey on local economic development. Questions included prompts related to housing, with results identifying that:

- While 20% of respondents identified quality housing as one of Clarenville's greatest community strengths, a notable 41% cited the availability and cost of housing as a top challenge for local economic development.

- Similarly, 35% of respondents viewed housing availability and cost as the primary challenges faced by individuals who work and live in Clarenville.

- Relatedly, 40% of respondents expressed a desire to see more affordable housing developed over the next decade.

A comprehensive housing needs assessment serves as a crucial foundation for supporting future initiatives. The data and insights derived from such assessments can inform local land use and social planning initiatives. They also provide compelling evidence to support advocacy efforts aimed at higher levels of government. For those involved in or considering entry into the housing sector, these assessments offer valuable information. They can guide the design, configuration, and scale of housing projects and aid in preparing applications for various funding programs that support affordable housing development.

"**Housing is a right for everyone,**
regardless of their social status, mental health, drug use or reputation. Secure housing is proven to positively impact trends like crime, drug use and family stability. Often, we are quick to place judgment, or to place a higher emphasis on things like crime prevention, drug prevention, and our local economy, without looking at the foundation: housing for everyone."

- Clarenville Housing Needs Assessment Study engagement participant

3.4   Defining "Affordable"

The topic of housing, and affordable housing in particular, is inundated with changing and easily misinterpreted terminology, which makes communication difficult. In general, this report uses the long-standing and easily understood metric that housing is affordable when the combination of applicable costs (rent + utilities, or mortgage + insurance + property tax + utilities) is no greater than 30% of a household's median before-tax income. This measure is a housing indicator tracked by Statistics Canada via the Census.

In quantifying the number of households experiencing affordability challenges (and thus may benefit from various forms of affordable housing), this report also makes use of the Core Housing Need metric established by Statistics Canada and the Canadian Mortgage & Housing Corporation (CMHC). It modifies the 30% threshold to include consideration of affordable alternatives. In other words, data is adjusted to remove households that spend more than 30% of their gross income, but have a less expensive option available to them. In practice, this tends to reduce the reported rates of housing unaffordability among homeowners as many choose to "stretch" their budgets in order to access the financial benefits of property ownership.

While many owner-occupied households experience affordability challenges, some do have the opportunity to downsize to a less expensive home, or, if a situation ultimately requires it, a rental-tenured dwelling (more often available in urban areas). By contrast, renter households typically have fewer reasonable alternatives and are more likely to be at risk of homelessness as a result. The use of the 30% indicator and Core Housing Need helps to shed light on both the magnitude of housing affordability challenges and their severity, in terms of available alternatives.

3.5   The Housing Continuum & The Wheelhouse Model

CMHC's housing continuum model is a linear progression from homelessness or housing need to homeownership. It is the most common approach to visually depicting different housing segments. It assumes that people will start somewhere along the horizontal axis and move from left to right, with market home ownership being the ultimate goal.

Figure 3-2: CMHC's housing continuum

Source: CMHC

In reality, many people or households do not move linearly from one state of housing to the next, but rather jump from segment to segment based on rapid changes to their professional and/or personal lives. For example, an individual in market rental housing may suddenly find themselves evicted from their unit in a low vacancy rental market. The struggle to find housing may lead to homelessness. Instead of gradually working through each element along the housing continuum, they can jump from homelessness to rental housing as quickly as finding an available unit.

In an effort to better represent the relationship between different forms of housing need, some communities are exploring alternatives to the continuum. One of these communities is the City of Kelowna. Instead of the linear view, the city applies a circular model known as the "Wheelhouse," that reflects people's housing needs as fluid, based on lifestyle preferences and financial circumstances. The "Wheelhouse" model allows the user to understand and address resident needs as they move around or across the circle between different types of housing. As such, a healthy housing stock must include diverse housing forms and tenure types to meet the needs of different socio-economic backgrounds and life stages. The Wheelhouse breaks down housing supply into six key areas:
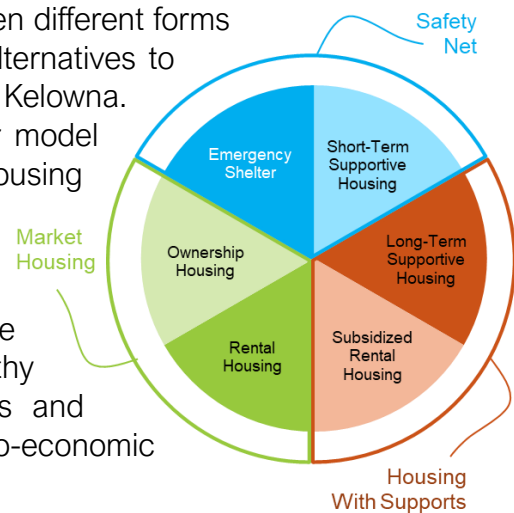
Source : adapted from CMHC & City of Kelowna

Table 3-1: Kelowna's wheelhouse model element descriptions

Key Area	Description
Emergency Shelters	Temporary shelter, food and other support services, generally operated by non-profit housing providers.
Short-term Supportive Housing	Stable housing along with support services offered by non-profit providers as a step between shelters and long-term housing (with typical stays of two to three years).
Long-term Supportive Housing	Long-term housing offered by non-profit providers, along with support services ranging from supportive care to assisted living and residential care.
Subsidized Rental Housing	Subsidized rental homes operated by non-profit housing providers, government, and housing co-operatives through either monthly government subsidies or one-time capital grants.
Rental Housing	Includes purpose-built long-term rental apartments, private rental townhomes, secondary suites, garden suites, and single-family rental homes.
Ownership Housing	Includes fee simple homeownership, condominium ownership, multi-unit and single-family homes, and shared equity (such as mobile homes or housing co-operatives).

3.6   Sources

3.6.1   Data

This report refers to several pieces of data that together contribute to contextualizing the housing conditions experiences by the residents of Clarenville. The following is a comprehensive list of the secondary quantitative data sources (i.e., information collected by other organizations and used for this report).

- Canadian Rental Housing Index
- Eastern Health
- Newfoundland & Labrador Association of REALTORS ® (NLAR) Multiple Listing Service ® (MLS ®)
- Newfoundland & Labrador Department of Finance
- Newfoundland & Labrador Health & Community Services
- Newfoundland & Labrador Housing
- Statistics Canada
- Town of Clarenville

The report incorporates some primary research to challenge and confirm the trends analysed within the sources above, where possible (e.g., high-level Statistics Canada data may not be nuanced enough to truly represent housing hardships for specific household types). Primary research is predominantly through Clarenville's Economic Development Survey from 2023 and stakeholder consultation performed by UPLAND planning + design. Both are described in this report.

3.6.2   Data limitations

Risks of analysis

Without individualized person or household datasets, an analysis cannot be exact. Relatedly, many of the datasets relied upon in this report are based off of samples of the population. While statistically sound to use, there does exist a scenario where the sample results do not equate to the entire population. Accordingly, analysis work should not be viewed as precise, but as ballpark figures.

This is especially true for projection work. Any attempt to estimate the change in a variable without knowing future conditions is inherently uncertain. In other words, the data collected and analysed represents a time stamp that is subject to a set of economic, social, and environmental conditions that may not hold true in the future. Any outputs from such exercises should be regarded as guiding posts and should be re-calculated regularly to input new information and course correct if required.

NLAR MLS®

Sales data inputted / reported by realtors as part of NLAR's MLS® database are subject to human error, which may result in discrepancies in the data reported versus reality.

Statistics Canada

Numbers are randomly rounded either up or down to a multiple of "5" or "10." When this data is summed or grouped, the total value may not match the individual values since totals and sub-totals are independently rounded. Similarly, percentages (which use rounded data) may not reflect the true percentage, but instead a ballpark. Furthermore, the sums of percentages may not equal 100%.

4   STAKEHOLDER CONSULTATION

4   STAKEHOLDER CONSULTATION

4.1   Approach

Building a successful housing needs assessment can be complex, requiring the involvement of various stakeholders to develop a final report that represents the diverse needs of residents within the study area. Throughout April and May 2024, a range of feedback was gathered from numerous stakeholders via meetings, interviews, and questionnaires, enabling our project team to gain an understanding of Clarenville's housing challenges, needs, and opportunities. Due to the scope of the engagement phase for this project, all activities took place virtually.

To gather relevant and consistent information for the study, the project team created a list of questions to guide discussions with stakeholders. While not every question was posed to each stakeholder, the list served as a question bank to draw from, tailored to each stakeholder involved.

We would like to extend our gratitude to all who contributed to this process, including representatives from the following groups:

- Clarenville & Area Age-Friendly 50 Plus Club
- Regional Action Committee on Housing
- The Clarenville Ministerial Association
- Association for New Canadians
- Newfoundland & Labrador Association of Realtors
- StoneTree Properties

- Neighbourhood of Family and Friends Resource Centre
- Calvary Clarenville
- Clarenville Region Extended Seniors' Transportation
- Residents interested in development
- Local physicians

4.2   Themes

While the aforementioned stakeholders made significant contributions, much of their input was similar to or coincided with answers from other respondents. To acknowledge these similar and overlapping thoughts, the consultation results were organized into key themes. Readers will notice that consultation content is distributed across this document to contextualize the data content. The themes that they will notice throughout are:

1)   With a diverse population and housing circumstances, so too exist diverse housing needs and challenges.

2) There is a scarcity of housing availability across Clarenville, especially smaller options that are more affordable and better serve the community's shifting demographics.

3) Relatedly, there is a need to build and support affordable housing options across the community, in both purpose-built rental and owned housing.

4) Housing is only one piece of the puzzle; there are several service gaps (i.e., public transportation, social service and community resources, and community spaces) that should be addressed.

5) Housing has a direct impact on health, from students to seniors.

4.3   Lived Experience

Throughout the consultation, stakeholders and participants shared their lived experiences that brought to light the realities of individuals grappling with housing challenges. The following three cases have been shared to offer insight into these unique experiences.

The first case, narrated by a housing support worker, centered around a woman and her child who had been residing in a shelter for over 8 months. Despite her urgent need for housing, she repeatedly encountered barriers due to the scarcity of suitable units. As a single parent with only one child, she found herself ineligible for the 3-bedroom units provided by housing support services, which were consistently prioritized for families with multiple children. Furthermore, her attempts to secure alternative housing were frequently turned down by landlords who hesitated to rent to individuals reliant on income support, citing perceived risks.

The second case, also shared by a housing support worker, focused on a youth who needed to relocate to St. John's due to the scarcity of shelter and housing options in Clarenville. This displacement presented numerous challenges, as the youth's entire social network was rooted in Clarenville. This also made it challenging to continue to look for options in Clarenville, as they were geographically removed from the area, impeding their ability to attend apartment viewings or meet with case workers.

The third case, shared directly by a senior living in Clarenville through a questionnaire, stressed that there is a need for more housing options that are suitable and flexible for seniors. This individual also noted that most housing rentals are filled, especially with the influx of new community members. They would also like the project team to consider the importance of seniors being able to access immediate medical, and rental fees associated with seniors housing. Additionally, they highlighted challenges related to accessibility, such as the physical design of apartments, and maintenance issues like cleaning walls and cupboards.

5 COMMUNITY PROFILE

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5.1 Population

5.1.1 Regional change

Canada's population is aging. Baby Boomers (those born between 1946 to 1964) are entering their retirement years, unmatched by growth in younger generations due to declining birth rates. The proportion of the population aged 65-years or older in 2021 was higher in Newfoundland & Labrador (23.6%) than in Canada overall (19.0%). Generally, communities with higher shares of said age groups (i.e., seniors) are more likely to be experiencing, or to experience, total population decline.

According to estimates from the Newfoundland & Labrador Department of Finance, the Clarenville-Bonavista Region has demonstrated a population decline since the early 1990s, with occasional periods of growth.

- The most significant loss of residents occurred between 1993 and 2008, with an average annual decrease of about 480 people (or 1.3%) annually.

- Since 2008, the population has been declining more gradually, reaching approximately 27,165 persons in 2023.

Statistics Canada provides reports on the historical contributors to demographic change, encompassing both in- and out-migration within Canada and Newfoundland & Labrador, as well as international migration. Figure 5-1 summarizes these components for Division No. 7, which is the most detailed geographic division available for this data. It is important to note that this division, classified as a Census Division by Statistics Canada, does not precisely align with the Clarenville-Bonavista Region mentioned earlier; it includes land area towards Gander but does not encompass it.

In the figure, vertical bars represent the cumulative impact of in- and out-migration, while the line indicates the net change in migrant populations annually. Definitions for each term can be found in the DEFINITIONS section.

- Prior to 2007/2008, significant out-migration occurred due to residents moving from the Division to other parts of Newfoundland and elsewhere in Canada.

- From 2008/2009 to 2016/2017, there were inflows of people from other provinces to the Division, sometimes surpassing the outflow of residents to other parts of the province, resulting in net population increases from migration.

- From 2017/2018 to 2019/2020, noticeable outflows were observed, with only slight increases from international migration. However, by 2021/2022, there was a substantial influx of people from out of province.

- Overall, the region has experienced a higher volume of deaths than births (i.e., net natural change), which has significantly impacted sustaining resident totals. This is primarily due to an expanding senior cohort and declining birth rates.

Figure 5-1: Components of demographic change, Division No. 7
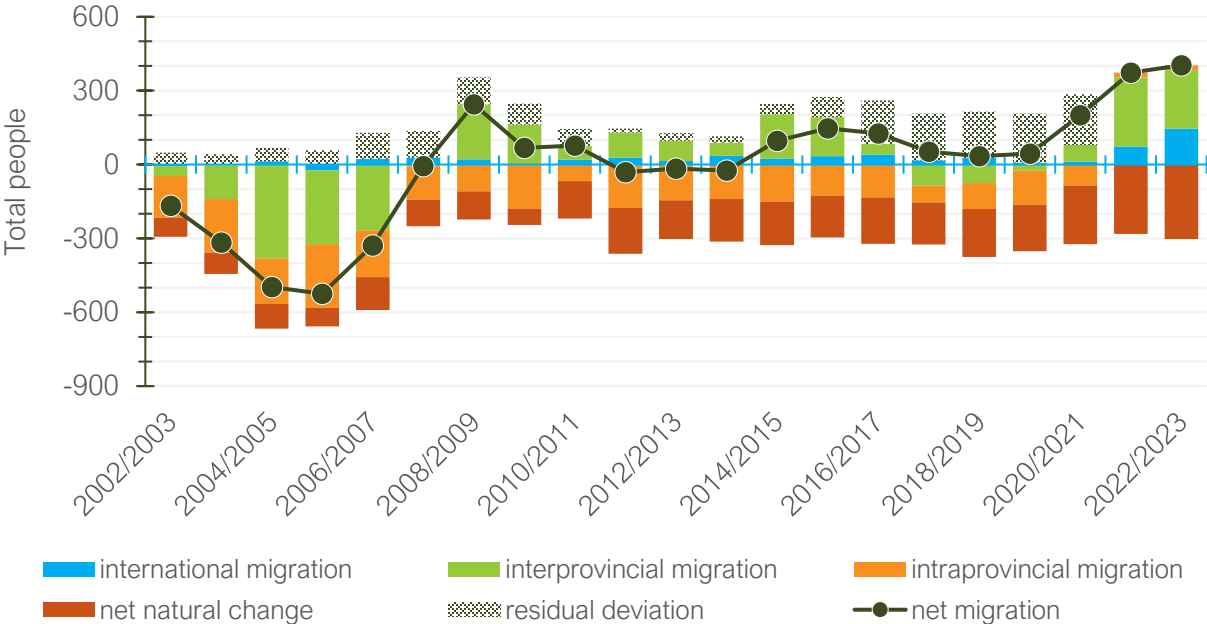
Source: Statistics Canada[1]

The province provides three projection scenarios for the Clarenville-Bonavista Region: low, medium, and high. Each scenario incorporates various assumptions regarding population fertility, mortality, and migration.

- Despite a slight increase from 2021 to 2023 (also shown in the aforementioned migration data) and a broader provincial initiative to boost immigration, the province foresees a continued population decline over the next decade and a half across all scenarios.

- Under the high-growth scenario, the region may experience a 7% decline over two decades, while the low-growth scenario suggests a 9% decline over the same period.

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1 Statistics Canada. Table 17-10-0140-01 Components of population change by census division, 2016 boundaries. DOI: https://doi.org/10.25318/1710014001-eng

Figure 5-2: Historical and anticipated population, Clarenville-Bonavista Region
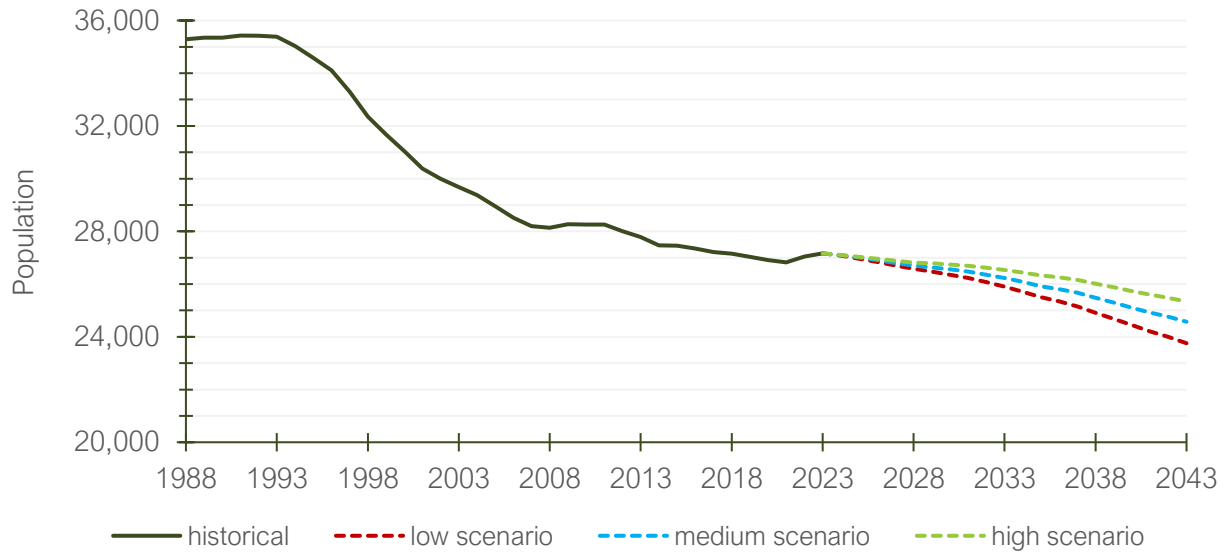
5.1.2   Local historical change

Recent Census data reveals clear indications of an ageing population in the Town of Clarenville, shown in Table 5-1.

- The table illustrates that the total number senior residents (i.e., those aged 65 and over) increased by 36% between 2016 and 2021, equating to an increase of 400 individuals.

- Expansions were also observed among the 15-to-24 and 45-to-64 age groups, resulting in an overall population rise from 6,290 to 6,705 over the five-year period.

- Notwithstanding, there were declines among particular age segments; notably, youth (0-to-14-year-olds) and younger adults (25-to-44-year-olds), suggesting an overall loss in young family aged persons (i.e., parents and their younger children).

Table 5-1: Census population by defined age cohort

Age cohort	Total	0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+
Total population 2016	6,290	1,130	705	1,645	1,720	955	155
Share of total	100%	18%	11%	26%	27%	15%	2%
Total population 2021	6,705	1,050	730	1,565	1,850	1,305	205
Share of total	100%	16%	11%	23%	28%	19%	3%
% change ('16-'21)	+7%	-7%	+4%	-5%	+8%	+37%	+32%

Source: Statistics Canada

As stated, the Town of Clarenville is situated within Division No. 7 Census Division. Figure 5-3 depicts the change in Clarenville's population in relation to the Census Division and Clarenville's neighbouring communities that belong to the same region. The data suggests that Clarenville, serving as the region's urban hub, experienced an influx of population, whereas its neighbours witnessed notable declines in resident numbers.

Figure 5-3: Comparison of historical change in population by community, 2016 to 2021
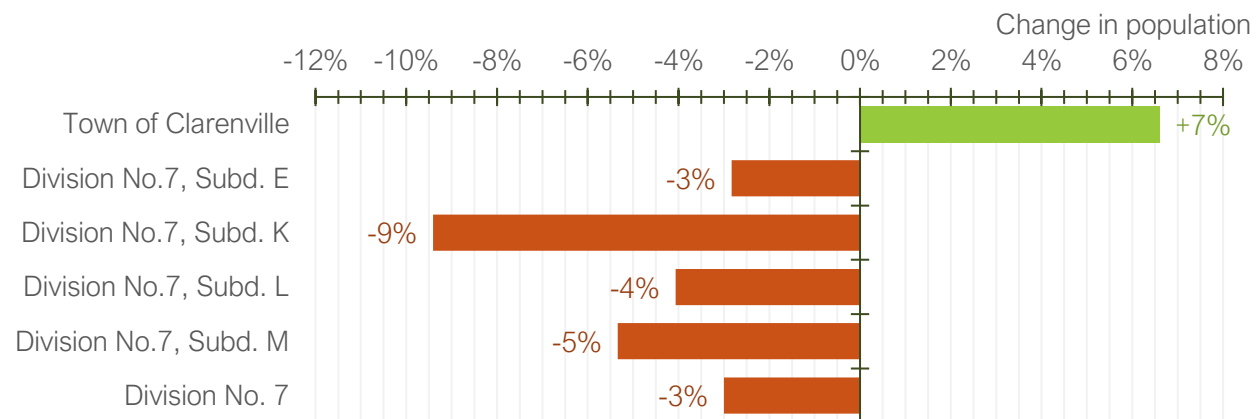
Source: Statistics Canada

Figure 5-4 summarises the number of residents who originated from outside Clarenville over the past one and five years. The results suggest that the primary source of the municipality's population increase is people moving from other parts of Newfoundland & Labrador to Clarenville. This trend could imply that neighbouring communities are experiencing population decline due to residents frequently relocating to Clarenville.

Figure 5-4: Residents moving to Clarenville from outside the municipality by origin and period, 2021

Total people

	one year prior to Census	five years prior to Census
Intraprovincial	300	965
Interprovincial	80	280
International	10	95
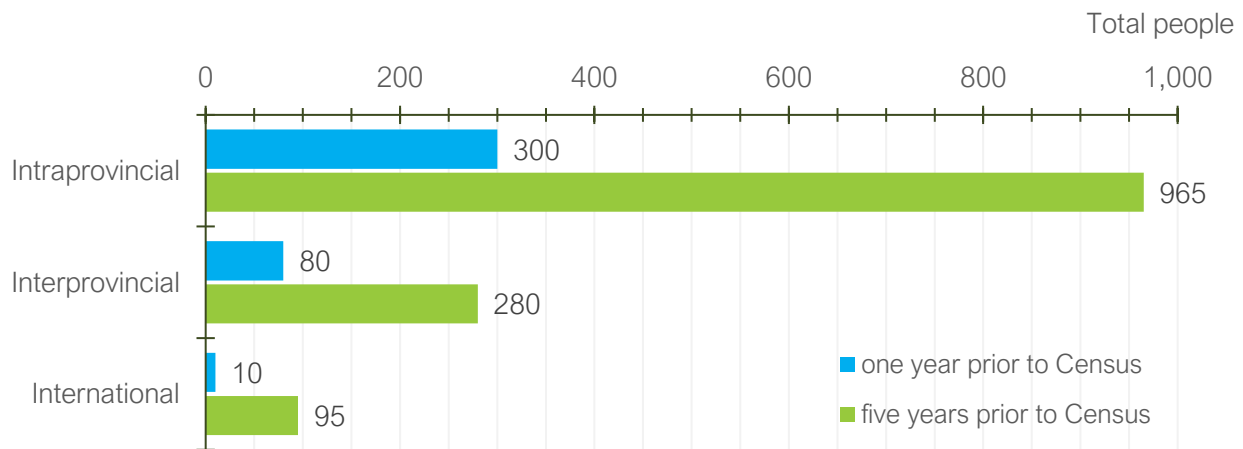
Source: Statistics Canada 2021 Census

A note about population data sources:

There are various sources available to report on the local population, with many deriving from Statistics Canada. This report primarily focuses on Census profile results due to their compatibility with other variables also produced by the Census.

Readers may be familiar with Statistics Canada's annual population estimates,[3] which are provided at the local, regional, and provincial levels, including for the Town of Clarenville. These estimates indicate that the local population was 6,939 people in 2021, compared to 6,705 as reported by the Census.

While the estimate accounts for Census non-responses, resulting in a typically higher figure than reported by a Census profile, it lacks detailed age cohort information crucial for analysis.

5.1.3   Local anticipated change

Table 5-2 summarizes the total historical and anticipated population, by age cohort, for the Town of Clarenville. Note that projection work estimates that the 2023 population was 6,810, up 2% since 2021.

- Projections anticipate that the upward trend in the total population should continue, though of decreasing magnitudes over time. By 2038, the population may reach 7,465 persons, an increase of nearly 10% since 2023 – or 655 net new residents.

- If projection assumptions hold true for the next 15 years, consistent growth should occur for total senior persons. By 2038, there could be 2,550 people aged 65-or-older living in Clarenville, up 57% from 2023 estimates.

- Other age cohorts may demonstrate less consistency. Notwithstanding, total 25-to-44-year-olds could rebound marginally.

Table 5-2: Estimated 2023 and anticipated population by scenario and age cohort

	Total	0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+
Historical population							
2016 population	6,290	1,130	705	1,645	1,720	955	155
2021 population	6,705	1,050	730	1,565	1,850	1,305	205
% change ('16-'21)	+7%	-7%	+4%	-5%	+8%	+37%	+32%
2023 population	6,810	1,015	725	1,555	1,890	1,410	215
% change ('21-'23)	+2%	-3%	-1%	-1%	+2%	+8%	+5%
Anticipated population							
2028 population	7,055	920	730	1,550	1,945	1,665	245
% change ('23-'28)	+4%	-9%	+1%	0%	+3%	+18%	+14%
2033 population	7,290	860	710	1,565	1,910	1,925	320
% change ('28-'33)	+3%	-7%	-3%	+1%	-2%	+16%	+31%
2038 population	7,465	880	615	1,595	1,825	2,120	430
% change ('33-'38)	+2%	+2%	-13%	+2%	-4%	+10%	+34%

Source: derived by Turner Drake using the Cohort Survival Projection Method and Statistics Canada inputs

"It is so important to ensure that we have adequate housing available for our seniors as Clarenville has a huge senior population and continues to grow each year. This is mainly due to the location and the services available in the town. It appears that Clarenville is growing faster than most rural communities in Canada especially in the age group of 65 plus. It is important to factor this in as plans are developed for Seniors' housing."

- Clarenville Housing Needs Assessment Study Engagement Participant

5.2 Households

Statistics Canada defines a household as 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. A household is the highest-level descriptor of many unique living situations.

This report often refers to households by their "primary household maintainer" age cohorts. A maintainer refers to the person residing in a dwelling that is responsible for paying all or the majority of housing costs. 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.

5.2.1 Local historical change

Total households and the age distribution of household maintainers, is mostly a function of population changes. Many factors come in to play for the makeup of households, such as moving across community boundaries, changes in location preferences, or new financial circumstances.

Table 5-3: Historical primary household maintainer age cohorts by tenure and Census period

2016 Census	Total	15 to 24	25 to 34	35 to 44	45 to 64	65 to 84	85+
Total households	2,495	85	385	470	955	550	55
Share of total	100%	3%	15%	19%	38%	22%	2%
Owner households	69%	29%	57%	71%	76%	70%	55%
Renter households	31%	71%	43%	29%	24%	30%	45%
2021 Census	Total	15 to 24	25 to 34	35 to 44	45 to 64	65 to 84	85+
Total households	2,800	125	335	450	1,115	695	70
Share of total	100%	4%	12%	16%	40%	25%	3%
Owner households	66%	0%	49%	63%	76%	71%	62%
Renter households	34%	100%	51%	37%	24%	29%	38%
% change ('16-'21)	+12%	+47%	-13%	-4%	+17%	+26%	+27%

Source: Statistics Canada Custom 2016 and 2021 Census tabulation

- Between 2016 and 2021, Clarenville experienced a 12% increase to its total households.

- The increase was primarily driven by growth in households led by individuals aged 65 to 84 and those aged 85 and over – 26% and 27%, respectively.

- Substantial growth among seniors and senior-led households is the primary reason why household growth has almost doubled population trends. A higher proportion of older persons corresponds to fewer instances of dependents living at home. This

ultimately translates to reduced average household sizes and, conversely, more households per capita.

Household tenure change

Anecdotal insights suggest that the increase in local households, like the population, is related to the migration of people from nearby communities to the Town of Clarenville—many of whom are senior-led households transitioning to smaller, rental properties. Figure 5-5 illustrates changes in households by tenure across different communities around Clarenville to highlight whether this trend holds true.

Figure 5-5: Change in households by tenure and select community

Households

-200	-100	0	100	200	300	400

Town of Clarenville: +140, +165
Division No.7, Subd. E: +5
Division No.7, Subd. K: -70, +45
Division No.7, Subd. L: +10, -5
Division No.7, Subd. M: -15
Division No.7: -10, +310
Division No. 7 (excl. Clarenville): -150, +145

■ Owner ■ Renter
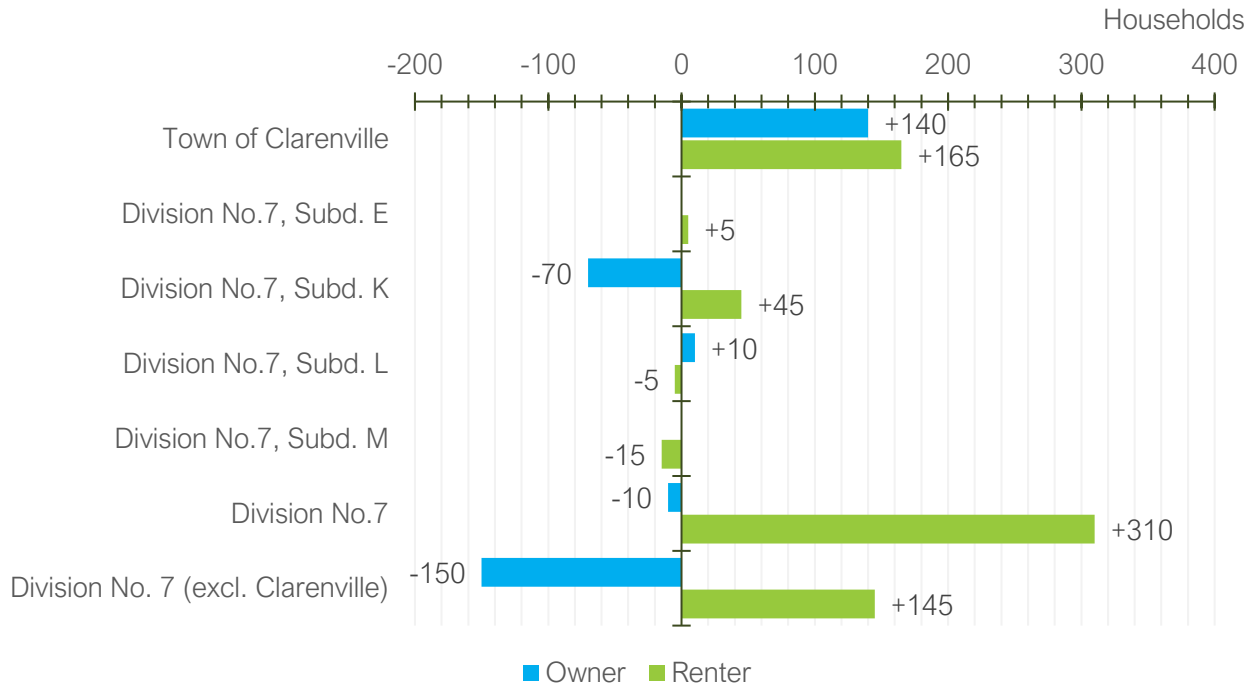
Source: Statistics Canada

- Compared to population trends, most of the included communities show much less severe rates of total household losses, if any. Senior populations generally have smaller household sizes. Therefore, as the senior age cohort expands, so does the number of senior-led households, but at a faster rate.

- Notably, Clarenville is one of the few Division No. 7 communities that reported an increase in both owner-occupied and renter-occupied dwellings between 2016 and 2021. The entire Division No. 7 Census Division (CD) actually saw a minor decrease in owner-occupied dwellings during the same period.

- If Clarenville is subtracted from Division No. 7's household totals (shown in the chart), it becomes evident that Clarenville is among the few communities with an expanding

33

owner-occupied dwelling segment. It is also a major contributor (representing about half) to the growth in renter-occupied dwellings.

- Overall, this demonstrates that Clarenville is a destination of choice for those seeking not only rental, but also homeownership options – whether downsizing from a larger home elsewhere or purchasing for the first time.

5.2.2 Household Type

Household type refers to the type of "census-family" that occupies a dwelling (see **DEFINITIONS**). Table 5-4 summarizes the totals and distributions of key household types per the 2016 and 2021 Censuses, as well as their respective tenure splits. Note that "non-census" families refer to households with unrelated persons and are thus also known as "single person / roommate households."

Table 5-4: Historical household family types by tenure and Census period

2016 Census	Total	Couple without children	Couple with children	Lone parent	Non-census	Other
Total households	2,495	750	755	230	620	140
Share of total	100%	30%	30%	9%	25%	6%
Owner households	69%	80%	83%	48%	42%	82%
Renter households	31%	20%	17%	52%	58%	18%

2021 Census	Total	Couple w/o children	Couple with children	Lone parent	Non-census	Other
Total households	2,800	835	720	230	865	140
Share of total	100%	30%	26%	8%	31%	5%
Owner households	66%	81%	79%	52%	41%	80%
Renter households	34%	19%	21%	48%	59%	20%
% ('16-'21)	+12%	+11%	-5%	0%	+40%	0%

Source: Statistics Canada Custom 2016 and 2021 Census tabulation

- By household type, Clarenville saw increases in the couples without children and non-census family categories, with 11% and 40% increases, respectively.

- These two categories also comprise a combined 61% of the total households in Clarenville, approximately 30% each.

- The municipality also experienced marginal increases to lone-parent households and households classified as other (e.g., multigenerational households), with decreases seen in the couples with children category.

5.2.3 Household Size

Household size refers to the number of people in a given household. Table 5-5 shows various household size data for Clarenville including the number of households at each size, the tenure split of that household size, and the overall average size of households in Clarenville (as well as by tenure).

- Between Census periods, the average household size of Clarenville decreased by 0.2, denoting an increase in smaller households. This decrease can be largely attributed to the 39% increase in 1-person households and this category's 6 percentage point increase in overall share.

- From this data it can also be seen that average household size differs greatly between renters and owners. As of 2021, the average household size for a renting household was 1.9, where for households who own their dwellings, it was 2.5.

- While no definitive conclusions can be drawn from the data as presented, there is a larger proportion of 1-person households that are renters as compared to all other household size categories.

Table 5-5: Historical household sizes by tenure and Census period

2016 Census	Total	1 person	2 persons	3 persons	4 persons	5+ persons	Average household size
Total households	2,495	575	920	490	395	120	2.5
Share of total	100%	23%	37%	20%	16%	5%	
Owner households	69%	43%	72%	74%	84%	100%	2.7
Renter households	31%	57%	28%	26%	16%	0%	2.0

2021 Census	Total	1 person	2 persons	3 persons	4 persons	5+ persons	Average household size
Total households	2,800	800	1,025	475	380	120	2.3
Share of total	100%	29%	37%	17%	14%	4%	
Owner households	66%	41%	76%	68%	84%	79%	2.5
Renter households	34%	59%	24%	32%	16%	21%	1.9

% change ('16-'21)	+12%	+39%	+11%	-3%	-4%	0%	

Source: Statistics Canada Custom 2016 and 2021 Census tabulation

5.2.4 Local anticipated change

Household growth is a fundamental component of housing demand. By definition a household requires an available dwelling to occupy. Therefore, household projections are closely linked with the required increase in housing stock to accommodate expected population changes (note that overall housing demand is also influenced by economic and financial factors, but these are omitted from the exercise for simplification).

Projecting future growth in the number of households requires two related data inputs:

(1)   population projections, and
(2)   the historical proportion of maintainers by age cohort, divided by the total people in that cohort (i.e., the "headship rate").

Total demand is calculated by applying the headship rates of (2) to the change in the number of people at a given age determined by (1). The 2016 headship rates are used to apply a pre-pandemic relationship. Table 5-6 summarizes calculation results by historical and projection years. Estimates suggest that the household total was 2,825 in 2023.

- By 2038, total households may reach 3,305 – up 17% from 2023.

- Like for the population, if projection assumptions hold true over the next 15 years, consistent growth should occur among total senior persons. By 2038, there could be 1,395 households led by a person aged 65-or-older, up 56% from 2023 estimates.

- Other age cohorts may demonstrate less consistency. Notwithstanding, 25-to-44-year-olds led households could rebound marginally over the projection period.

- Over time, the rate of growth should slow, indicating that senior cohort, on its own, can increase housing demand for only so long.

Table 5-6: Estimated 2023 and anticipated 2033 households by scenario and age cohort

	Total	15 to 24	25 to 44	45 to 64	65 to 84	85+
Historical households						
2016 household	2,500	85	845	950	550	60
2021 household	2,805	130	795	1,120	695	70
% change ('16-'21)	+12%	+53%	-6%	+18%	+26%	+17%
2023 household	2,825	85	800	1,045	810	85
% change ('21-'23)	+1%	-35%	+1%	-7%	+17%	+21%
Anticipated households						
2028 household	3,020	90	800	1,075	965	95
% change ('23-'28)	+7%	+6%	0%	+3%	+19%	+12%
2033 household	3,185	85	805	1,055	1,115	125
% change ('28-'33)	+5%	-6%	+1%	-2%	+16%	+32%
2038 household	3,305	75	820	1,010	1,230	165
% change ('33-'38)	+4%	-12%	+2%	-4%	+10%	+32%

Source: derived by Turner Drake using the Cohort Survival Projection Method and Statistics Canada inputs

6 ECONOMIC PROFILE

6 ECONOMIC PROFILE

6.1 Macroeconomic Trends

6.1.1 Interest rates

Financial markets consist of the markets for money, bonds, equities, derivatives, and foreign exchange. The financial markets are the primary avenue for the influence of the Bank of Canada's key policy rate on interest rates and the exchange rate. This, in turn, helps the Bank of Canada achieve its monetary policy objectives.

- From approximately 2009 to 2021, Canadian's benefited from low interest rates when seeking out mortgages. While some minor fluctuations did occur, there was no considerable change during that time.

- Following a decrease in interest rates at the onset of the pandemic to spur consumption, rates rapidly rose beginning in 2022 to curb inflation – with the bank rate jumping from 0.5% in March 2022 to 5.25% in February 2024. The combination of inflation and high interest has severely impacted many Canadian households' ability to afford their shelter and other necessary goods.

Figure 6-1: Historical interest rates by rate type, Canada
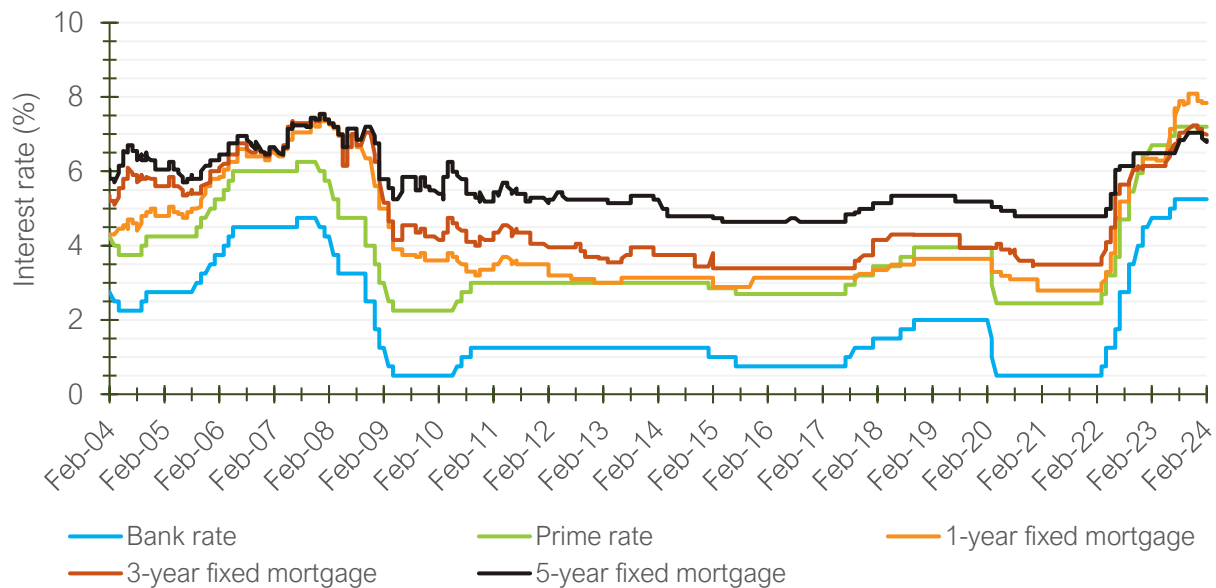
Source: Statistics Canada Table 10-10-0145-01[4]

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4 Statistics Canada. Table 10-10-0145-01 Financial market statistics, as at Wednesday, Bank of Canada. DOI:
https://doi.org/10.25318/1010014501-eng

6.1.2 Inflation

The Bank of Canada aims to keep inflation close to 2%. The inflation target is expressed as the year-over-year increase in the total consumer price index (CPI). The CPI is the most relevant measure of the cost of living for most Canadians because it is made up of goods and services that Canadians typically buy, such as food, housing, transportation, furniture, clothing, and recreation.

Figure 6-2 illustrates the change of particular basket items over the last two decades across Newfoundland & Labrador. Table 6-1 shows the relative cost of basket items along with their average annual price increases for the entire province.

Figure 6-2: Historical Consumer Price Index (CPI), Newfoundland & Labrador
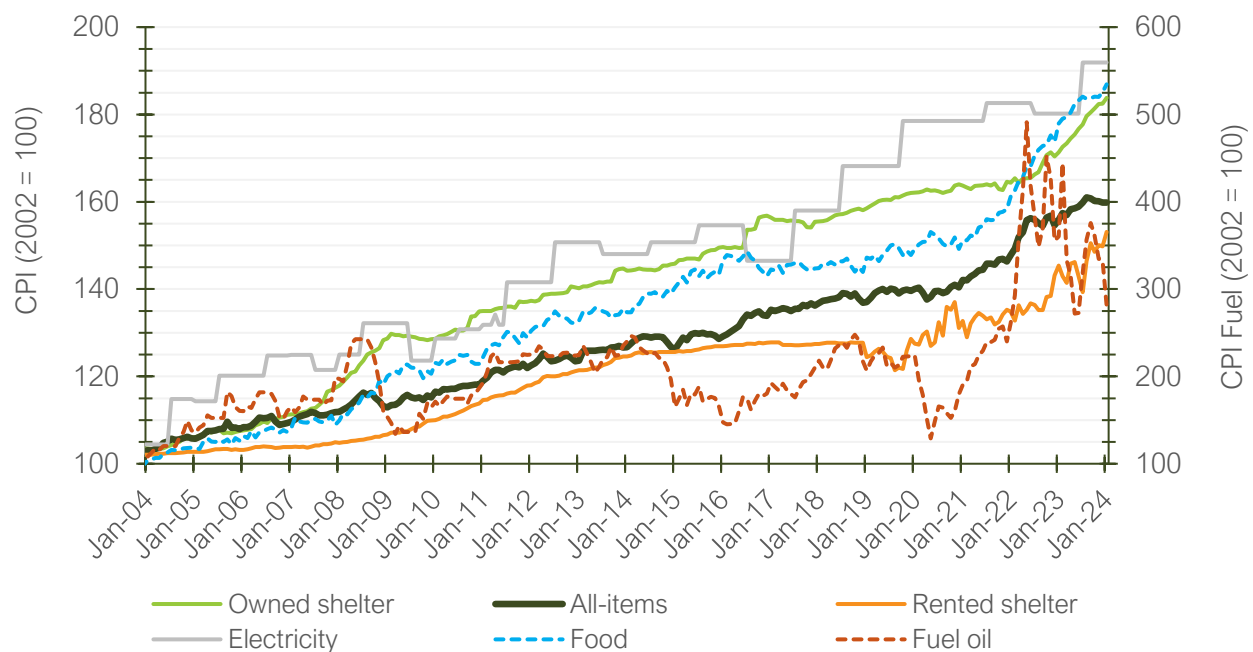
Source: Statistics Canada Table 18-10-0004-01[5]

- Between January 2004 and 2020, the average annual price growth for all basket items was 2.2%.

- From 2010 to 2020, this figure slightly increased to 2.3%. However, there has been a significant surge in average annual price growth since 2020, reaching 6.6% from January 2020 to January 2024.

- When examining individual basket items, the most notable price hikes are observed in fuel oil and other fuels, as well as in food categories. Food prices rose from a relatively stable 2.6% annual increase between 2010 and 2020 to a sharp 12.6%

between 2020 and 2024. On the other hand, fuel prices saw an even steeper rise, jumping from 4.7% between 2010 and 2020 to 18.9% between 2020 and 2024.

Table 6-1: Period to period CPI comparisons, Newfoundland & Labrador

	Period				Average annual growth		
	Jan 2004	Apr 2010	Jan 2020	Jan 2024	'04-'20	'10-'20	'20-'24
All-items	103.1	117.0	140.0	159.8	2.2%	2.3%	6.6%
Rented shelter	102.1	110.8	127.5	153.1	1.5%	1.7%	8.5%
Owned Shelter	103.5	129.7	162.1	183.8	3.4%	3.2%	7.2%
Electricity	104.4	128.7	178.5	191.9	4.4%	5.0%	4.5%
Water	101.9	181.5	214.4	241.7	6.6%	3.3%	9.1%
Fuel oil and other fuels	107.7	177.2	224.2	281.0	6.9%	4.7%	18.9%
Food	100.7	122.9	149.2	186.9	2.9%	2.6%	12.6%

Source: Statistics Canada Table 18-10-0004-01

Various factors contribute to the current upward trend in inflation. However, the bottom line is that consumers now need to spend more to purchase the same amount of goods. When inflation rises faster than income, it creates a compounding effect where nominal incomes may grow, but the real purchasing power of a dollar decreases. If this trend persists, it could lead to a situation where consumers spend more for smaller quantities of goods.

6.2 Labour Force

Labour force statistics play a considerable role in shaping the demand for housing. As more people gain employment, the need for housing often rises, influencing both rental and homeownership markets. The interplay between a strong job market and housing requirements is complex, impacting everything from housing affordability to the availability of various types of housing units. When combining shifts in the labour force, migration trends, and housing construction activity, this interplay becomes increasingly difficult to understand.

Table 6-2 summarizes the key labour force statistics for the Town of Clarenville in 2016 and 2021, with additional insight into the changes between these periods. Definitions of each item can be found in the DEFINITIONS section. Key insights from the table include:

- Despite a rapidly aging population, particularly among senior-aged persons (which would suggest a decline in the labour force), the labour force actually grew by 5% between 2016 and 2021.

- Similarly, the total number of employed persons increased by 3% during the same period, indicating ongoing economic growth in Clarenville.

- However, the number of unemployed persons rose noticeably by 19% (from 365 to 435), shifting the local unemployment rate from 11.5% to 13.0%. This increase can partly be attributed to the community still recovering from pandemic disruptions at the time the Census was performed.

- While the labour force increased, the total number of persons not in the labour force (those not actively seeking work, such as retirees) also grew, and by a greater magnitude (3%). This led to a decrease in participation rate 63.8% to 62.1%.

Table 6-2: Historical labour force statistics

	2016	2021	5 year change*
Total population (aged 15 and older)	4,995	5,405	+ 8%
In the labour force	3,185	3,355	+ 5%
Employed persons	2,825	2,920	+ 3%
Unemployed persons	365	435	+ 19%
Not in the labour force	1,815	2,050	+ 13%
Participation rate	63.8%	62.1%	-1.7 pp
Employment rate	56.6%	54.0%	-2.6 pp
Unemployment rate	11.5%	13.0%	1.5 pp

* "pp" is short for "percentage point"
Source: Statistics Canada

Stakeholder insight:

Nursing students, teachers, and other members of the workforce on rotation indicated that they have a difficult time finding housing to meet their needs.

Engagement highlighted concerns about housing availability during economic booms, where rising demand from sectors like oil leads to displacement of low-income residents due to escalating rental costs. Ensuring housing feasibility for low to average income earners during economic upswings is deemed crucial for community stability.

An alternative approach to measuring the economic strength of a community is the use of the "dependency ratio." This measure indicates the proportion of dependent individuals (those who are not in the workforce) to the working-age population (those who are typically considered capable of working). The dependency ratio is important for understanding the

economic burden on the productive (in terms of employment) portion of the population. Dependents are defined as persons aged 0 to 14 and 65 or older, while the working-age population includes those aged 15 to 64. A higher dependency ratio means there are more dependents for each working-age individual, indicating a greater economic burden.

Figure 6-3 illustrates the historical and anticipated volumes of dependents and working-age persons, along with the dependency ratio. Notable insights include:

- Projections suggest that the number of dependents will increase over the foreseeable future, largely due to an expanding senior age cohort.

- Nevertheless, the dependency ratio should remain below 1.00 until at least 2038, indicating that there are more people contributing to the economy via employment than those who are not.

- The impact of the rising dependency ratio is twofold:

  1) Fewer working-age persons mean there are fewer people available to work or take on jobs needed to expand local businesses and the overall economy.

  2) Fewer employment-earning households mean that shelter costs must be paid from fixed income sources, such as pensions, savings, or other investments. For those with minimal savings, this burden is more worrisome.

Figure 6-3: Historical and anticipated dependency ratio (number of dependents versus working age persons)
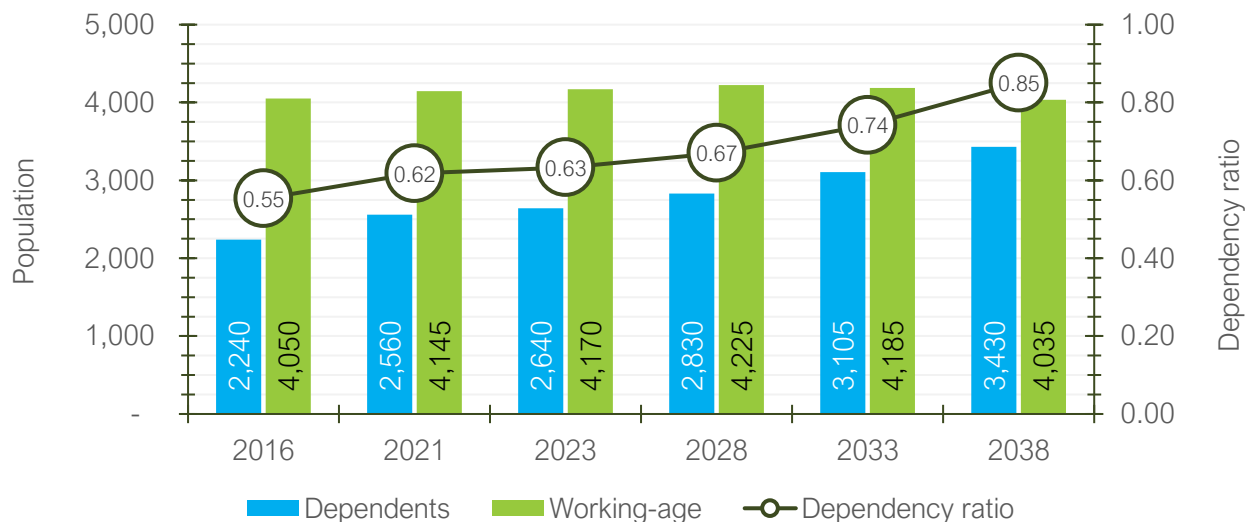
Source: Turner Drake & Partners, Statistics Canada

Stakeholder insight:

We heard extensively about challenges related to limited public transportation in Clarenville, which exacerbate difficulties for vulnerable individuals by hindering access to essential services like employment, the Food Bank, and community events. The scarcity of transportation options also limits housing choices, particularly affecting newcomers, low-income individuals and families, and other residents without access to a vehicle. While there was recognition of public transport options available to seniors, there is a collective desire to extend similar opportunities to all residents.

It became evident during the engagement phase that there is a prevailing perception that the town's transportation system is not deemed a significant necessity due to its size and walkability. This perception conflicts with the experiences of those who struggle to access services and highlights the need for a balanced discussion about the true necessity and benefits of improved public transportation.

6.3   Income

6.3.1   Median before-tax household incomes

Most affordability calculations use median before-tax household income – the total income earned by a household before income taxes and other elements are deducted – as their primary input. The level of earnings is largely contingent on the characteristics of a household – i.e., how old is the household, how many people are in the household, does a household own or rent their dwelling?

Table 6-3 (on the next page) summarizes 2021 household incomes by characteristics, tenure (including renter household in subsidized housing), and Indigenous identity. Overall, Clarenville's median household income was $72,500 in 2021, down from about $76,000 in 2016 (a 5% decrease).

Household incomes also depend on the economic context that existed at the time of a Census survey. The 2021 Census collected 2020 tax year incomes – many households had received Canadian Economic Recovery Benefit (CERB) payments. While CERB was an important injection of funds to Canadians who needed it to afford their cost of living at a time of great social and economic stress, it distorted income results. As such, readers should consider 2021 incomes to be higher than they would be without CERB relief. This is

particularly important given that the local median income decreased between Census periods (the opposite is most often the case), highlighting the pronounced impact of elevated senior population growth.

Table 6-3: Median before-tax household income by tenure & Indigenous identity, 2021

	Total	Owner	Renter	Subsidized Renter	Indigenous
Total	$72,500	$99,000	$39,200	$23,600	$93,000
Household size					
1 person	$32,400	$49,200	$23,600	$23,200	$27,800
2 persons	$76,000	$88,000	$50,000	$22,800	$86,000
3 persons	$105,000	$134,000	$60,000	-	-
4 persons	$135,000	$141,000	$93,000	-	-
5+ persons	$137,000	$182,000	-	-	-
Household type					
Couple without child	$81,000	$90,000	$62,400	-	$113,000
Couple with child(ren)	$137,000	$155,000	$63,200	-	$109,000
Lone parent	$50,000	$67,000	$38,800	-	-
Single person	$32,400	$49,200	$23,600	$23,200	$27,800
2+ persons	$70,500	$98,000	$60,400	-	-
Household maintainer age					
15 to 24 years	$58,000	-	$52,800	-	-
25 to 34 years	$70,500	$100,000	$45,600	-	-
35 to 44 years	$99,000	$128,000	$44,800	-	-
45 to 54 years	$105,000	$137,000	$46,000	-	$113,000
55 to 64 years	$77,000	$106,000	$32,400	-	-
65 to 74 years	$60,000	$72,500	$34,800	-	-
75 to 84 years	$38,800	$42,400	$28,600	-	-
85+ years	$35,600	$36,800	-	-	-

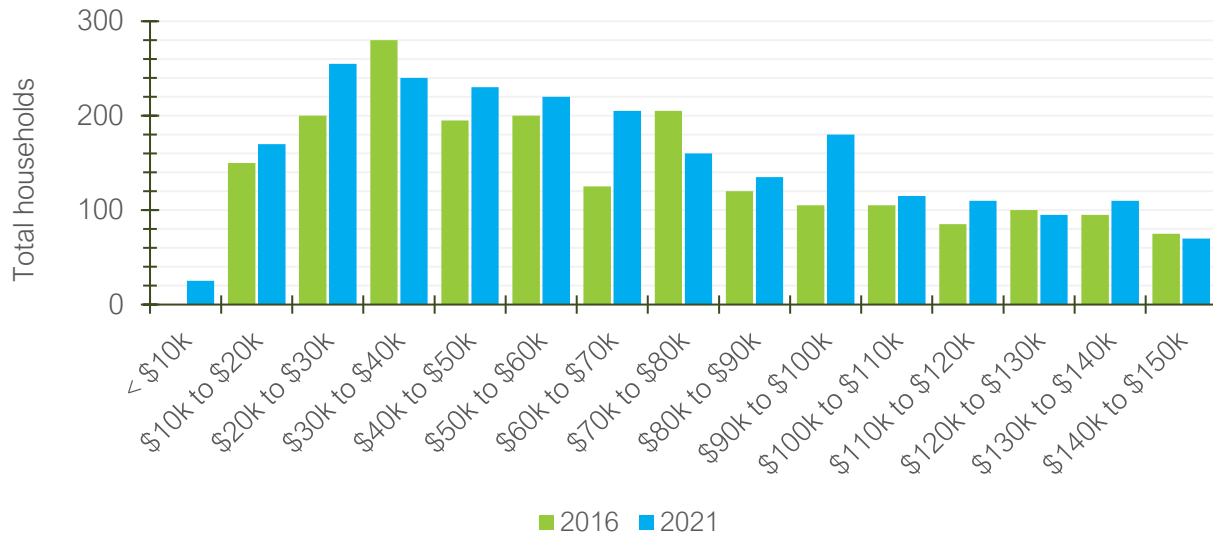Source: Statistics Canada 2021 Census custom tabulations

6.3.2 Income distribution

The distribution of household incomes varies greatly depending on the configuration of a household or the housing tenure of a household. Generally, if a household earns a single

income, there is higher prevalence of earning lower incomes, which in turn translates to greater chances of experiencing a form of housing hardship.

Figure 6-4 illustrates the change in household income distributions from 2016 to 2021. Readers will notice general increases in the number of households within each income bracket, demonstrating that the increased population distributes broadly relative to earnings. However, greatest increases occur among households earning below the median income, resulting in the decrease since the 2016 Census.

Figure 6-4: Total households by income group and Census year

Source: Statistics Canada 2016 and 2021 Census custom tabulations

Figure 6-5 illustrates how the share of total 2021 household tenure (renting or owning) shifts as incomes rise. Greater shares of renter households (more often single income earners) exist among lower income brackets, with decreasing prevalence from bracket to bracket.

Figure 6-5: Share of households by income group & tenure, 2021
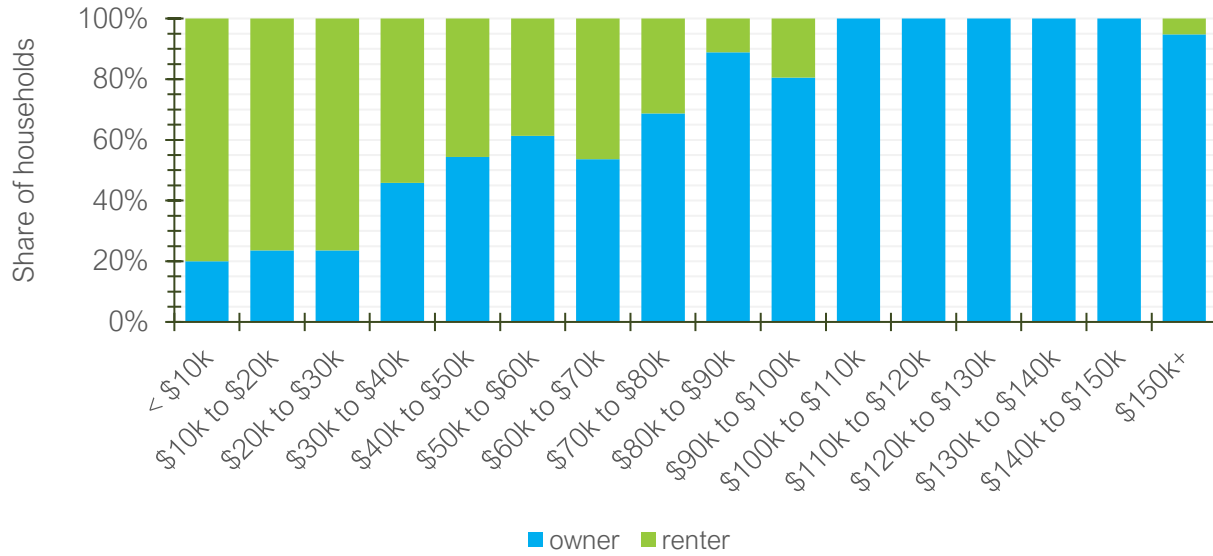
Source: Statistics Canada 2016 and 2021 Census custom tabulations

Figure 6-6 segments the 2021 Census income distribution data by household type. Unsurprisingly, single person / roommate and lone-parent households comprise the majority of the lower income brackets, given they are the only household types that generally comprise a single income. As you move rightward through higher income brackets, the distribution comprises almost solely of households consisting of couples with children or couples without children.
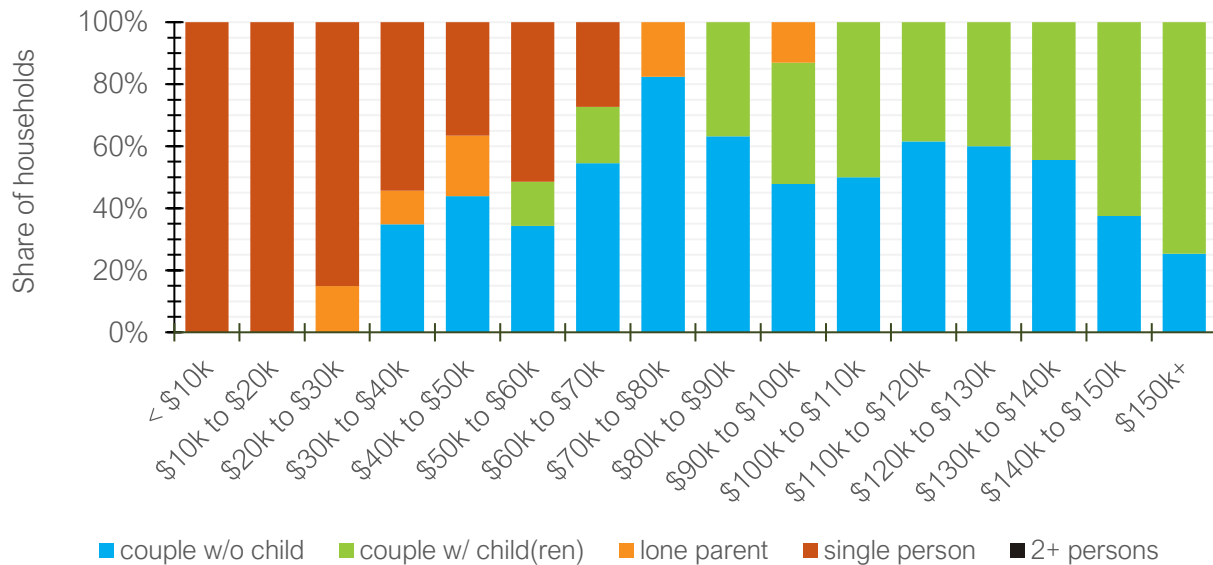
Figure 6-6: Share of households by income group & household type, 2021

Source: Statistics Canada 2016 and 2021 Census custom tabulations

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6.3.3 Income categories

This report adopts methods used by Housing Assessment Resource Tools (HART) to establish five household income categories that can help inform the share of the population most at risk of financial pressures related to housing. HART applied the categories built by governments in the US, Vancouver, and Melbourne. 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, equivalent to starting salary for a professional job such as nurse or teacher.
- **MEDIAN INCOME:** 81-120% AMHI, representing the 'middle class.'
- **HIGH INCOME:** More than 120% AMHI, the group with most housing wealth.

> *Stakeholder insight:*
>
> Stakeholders would like to see efforts to decrease stigma in Clarenville toward low-income individuals and families seeking housing, recognizing that all residents are an integral part of the community and deserve adequate housing. There is also a call to acknowledge the diverse challenges faced by various individuals, particularly those with complex needs who often experience marginalization.
>
> The consensus is for increased collaboration and concerted efforts to encourage contractors, landlords, and the government to expand low-income housing options, and offer housing with appropriate support for those facing unique challenges and social complexities.

Table 6-4 summarizes the estimated income brackets that apply to each income category, the range of shelter costs afforded by said incomes, and the estimated share of local households within each category.

Table 6-4: Income category summary, 2021

Income category	Annual household income	Affordable shelter cost	Estimated share of total households
Very low income	≤$14,500	< $272	4%
Low income	$14,501 to $36,250	$273 to $680	16%
Moderate income	$36,251 to $58,000	$681 to $1,088	21%
Median income	$58,001 to $87,000	$1,089 to $1,631	15%
High income	$87,001 +	$1,631 +	44%

Source: Statistics Canada 2021 Census custom tabulations, HART[6]

Table 6-5, Table 6-6, and Table 6-7 demonstrate the household sizes, household types, and household maintainer ages, respectively that are most likely to be within each category. Note that 0% results are due Statistics Canada's random rounding and suppression – there likely exist households in each category that go unrepresented.

- Among defined household sizes, one-person households were most likely to earn very low (13%) or low (43%) incomes, translating to a higher prevalence of housing need.

- Dual earning households (common across 2+ person household sizes) mostly earned high incomes.

- Like 1-person households, lone parents and single persons (i.e., single income earning) had notable likelihood to be of lower income.

Table 6-5: Income category by household size, 2021

	Total	1 person	2 persons	3 persons	4 persons	5+ persons
Total households	2,800	800	1,025	475	380	120
Very low income	4%	13%	0%	0%	0%	0%
Low income	16%	43%	5%	4%	0%	0%
Moderate income	21%	27%	26%	8%	0%	0%
Median income	15%	6%	22%	13%	0%	0%
High income	44%	12%	46%	75%	100%	100%

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6 Housing Assessment Resource Tools. HART Housing Need Assessment Tool. https://hart.ubc.ca/wp-content/uploads/2023/03/HNA-Methodology.pdf

Table 6-6: Income category by household family type, 2021

	Total	Couple without child	Couple with child(ren)	Lone parent	Single person	2+ persons
Total households	-	835	720	230	800	70
Very low income	4%	0%	0%	0%	13%	0%
Low income	16%	2%	0%	15%	43%	0%
Moderate income	21%	26%	3%	28%	27%	0%
Median income	15%	23%	6%	7%	6%	0%
High income	44%	50%	90%	50%	12%	100%

- About 16% of Clarenville's young adults (15-to-24-year olds) earned very low or low incomes. These folks are either early into their careers, working part-time through school, or earning near minimum wage.

- Senior households were also likely to earn low incomes, though much of this is related to low pension earnings relative to employment earnings before retirement.

Table 6-7: Income category by household primary maintainer age, 2021

	Total	15 to 24	25 to 44	45 to 64	65 to 84	85+
Total households	-	125	785	1,115	695	70
Very low income	4%	0%	0%	5%	0%	0%
Low income	16%	16%	7%	7%	24%	29%
Moderate income	21%	0%	8%	15%	32%	0%
Median income	15%	24%	8%	11%	9%	0%
High income	44%	60%	76%	62%	34%	71%

7 HOUSING PROFILE

7 HOUSING PROFILE

7.1 Overall Housing Inventory

As of 2021, the Town of Clarenville had 3,125 dwellings, of which 2,805 were occupied by a usual resident (i.e., a resident who lives in the community more than half of the year). Statistics Canada data is only available for occupied dwellings. Thus, data is unavailable for about 10% of the local inventory.

Of those dwellings described by Statistics Canada, the majority (65%) are single-detached units, with the next largest portion of 20% being comprised of duplex units. Note that a duplex considers several forms of housing, including the traditional duplex (two about equal sized units arrange above and below) and single-detached homes with a secondary suite (including those with a basement apartment).

Table 7-1: Structural type of dwelling and tenure share, 2021

	Total	Single	Row	Semi	Duplex	Apt (<5 floors)	Apt (5+ floors)	Mobile
Total	2,805	1,835	70	85	570	225	0	10
Share	100%	65%	2%	3%	20%	8%	0%	0%
Owner	66%	88%	0%	24%	31%	9%	-	100%
Renter	34%	11%	100%	76%	68%	91%	-	0%

Source: Statistics Canada

Stakeholder insight:

Potential developers expressed frustration with navigating challenges and would like better direction and clear communication regarding available financial and general support for low-income and senior housing projects.

Figure 7-1 below denotes the number of units constructed in Clarenville as well as the structure type built. While single-detached housing has been favoured consistently, there has been a growing trend of duplexes built since the 1970s through present day. Since the 1970s, on average 105 duplex units were constructed per decade, with the highest number constructed both between 2001 to 2010 and 2011 to 2021.

Figure 7-1: Structural dwelling type by period of construction, 2021

Figure 7-1: Structural dwelling type by period of construction, 2021
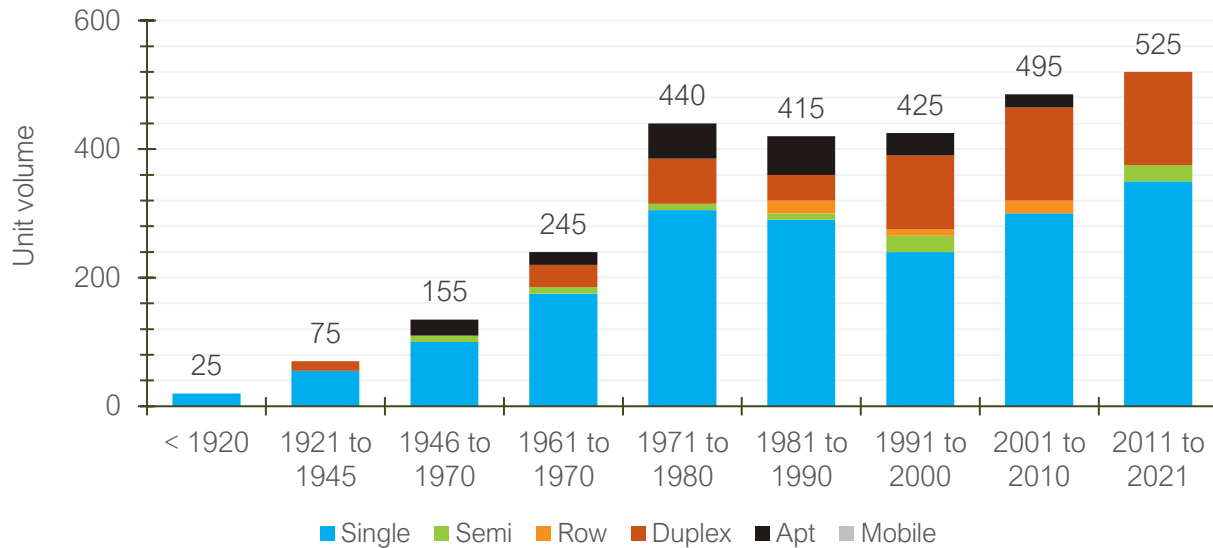
Source: Statistics Canada Table 98-10-0233-01

Figure 7-2 depicts the same information as the above figure, with the units constructed shown by purpose (i.e., for ownership or rental). Where ownership units were favoured through 1970, there has been a growing trend of rental units built since 1970. Unsurprisingly, the number of rental units constructed by decade reflect almost exactly the number of apartment units built by decade.

Figure 7-2: Household tenure by period of construction, 2021
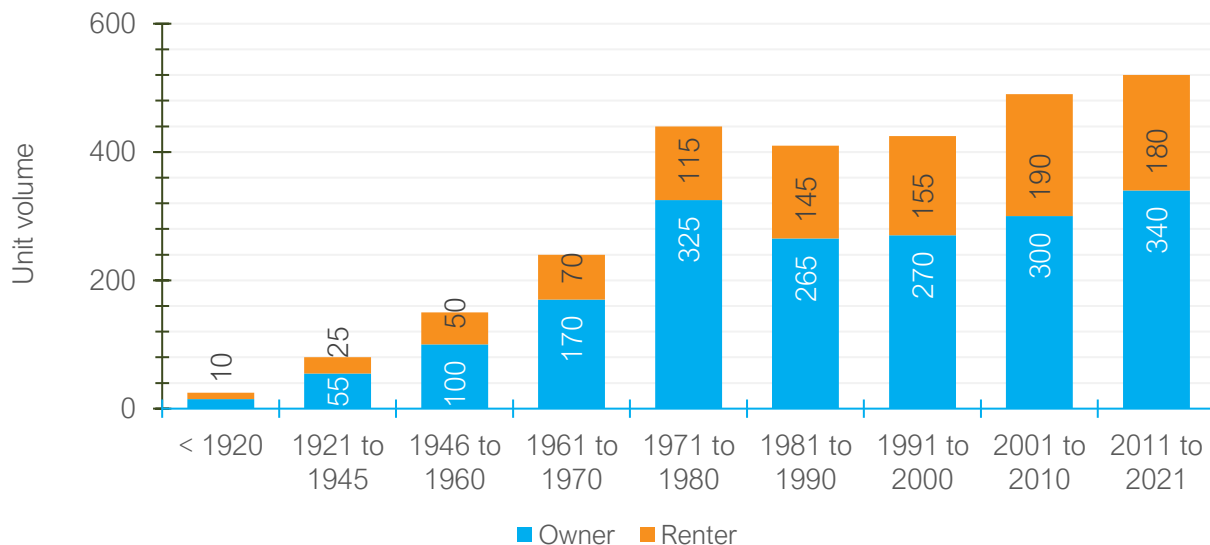
Source: Statistics Canada Table 98-10-0233-01

While the last decade has seen considerable dwelling output, the majority of the activity occurred in its first half. According to Statistics Canada, approximately 390 dwellings were built between 2011 and 2015, compared to 130 from 2016 to 2021. This downtrend is further

illustrated by Figure 7-3, which depicts the volume of units permitted in Clarenville from 2013 to 2023. On average, the municipality issued permits for 32 units per year since 2013, with a peak of 102 permits issued in 2013.

Figure 7-3: Historical units permitted
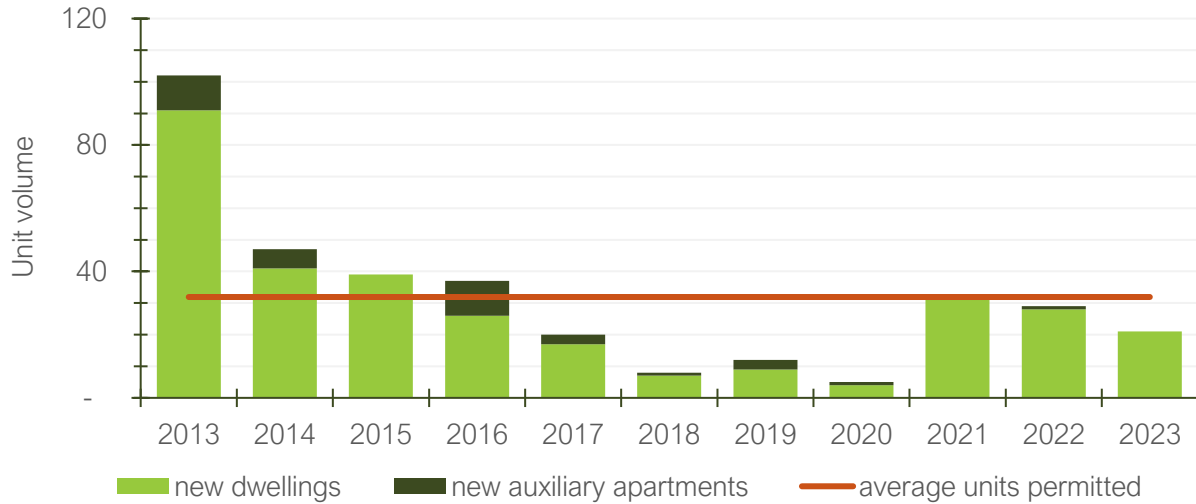
Source: Town of Clarenville

7.2   Market Housing Activity

7.2.1   Homeownership

Figure 7-4 illustrates the historical median sale price for the Clarenville area, demonstrated by both the median monthly and annual values. Data comes from the Newfoundland & Labrador Association of REALTORS ® (NLAR). Figure 7-5 shows the corresponding total dwellings sold annually, disaggregated by dwelling type.

Stakeholder insight:

One stakeholder raised concerns about young buyers entering the housing market and suggested implementing support for affordable purchasing. Based on their experience, they identified the $150,000 to $250,000 price range as the most significant segment, predominantly comprising bungalows ranging from 25-35 years old to slightly newer properties.

The data demonstrates that local home prices were at their peak in 2015, reaching a median value of $257,500. Prices gradually dropped from then until 2019, complemented by a corresponding decrease in the volume of dwellings sold annually.

Figure 7-4: Median monthly and annual sale price, Clarenville - Georges Brook
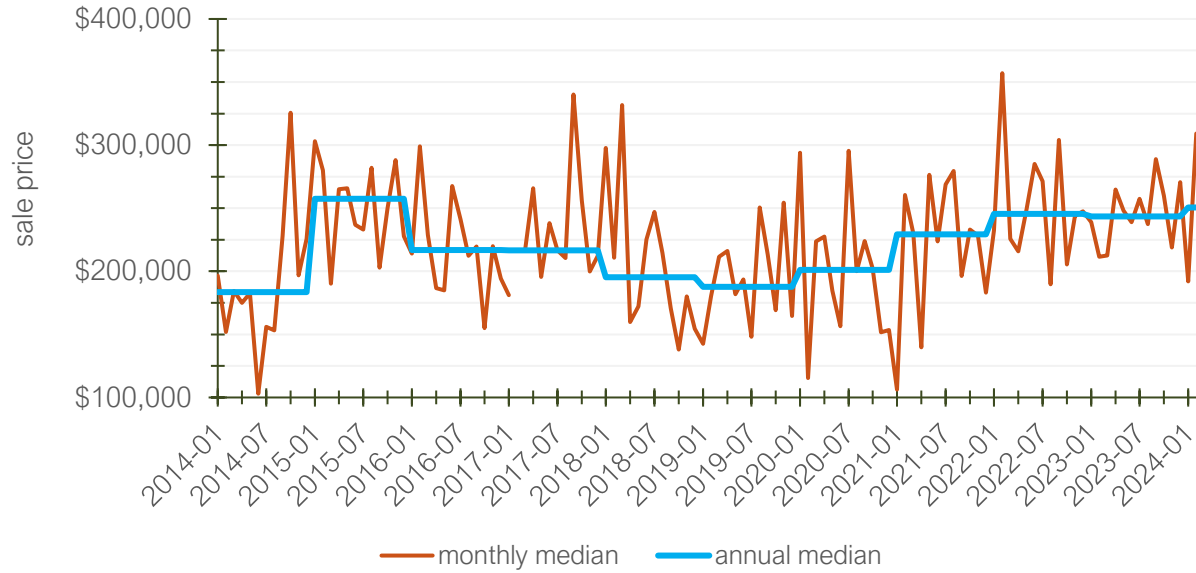
After 2019, coinciding with the beginning of the pandemic and related shifts in migration, demand for Clarenville housing increased. This is reflected both in the increasing number of sales recorded and the increasing median annual sale price.

Figure 7-5: Annual sale volumes by dwelling type, Clarenville - Georges Brook
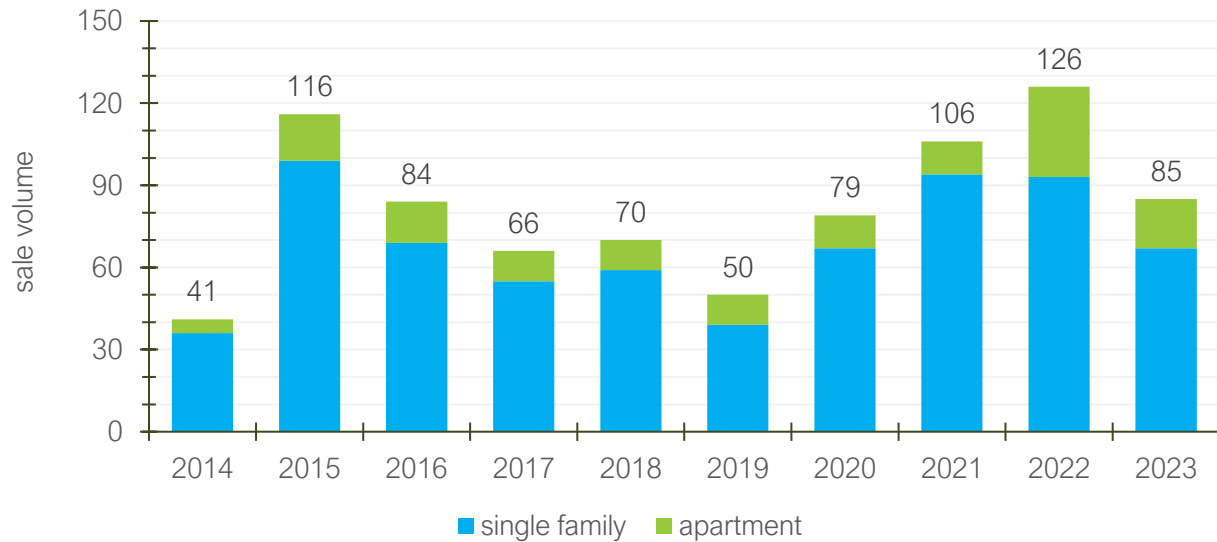
Homeownership attainability

While local prices are on the rise, this does not necessarily indicate an erosion of affordability. For instance, if incomes grow concurrently, a higher sale price may not actually be less affordable in relative terms. To assess whether there has been a decline in affordability in the homeownership market, Figure 7-6 compares estimated annual housing prices that would have been affordable to different household family types (based on income data, prevailing interest rates, and other mortgage assumptions) to the actual median dwelling price. The purpose is to highlight the impact of changing local incomes and prices on affordability. Key takeaways include:

- From 2015 to 2019, the median house price was decreasing, allowing more households to afford homeownership, assuming they had enough for a down payment.

- Since 2019, the median price of a home has gradually increased, and by 2023 the median household could not reasonably afford the median dwelling. In other words, half of local households could not afford half of the dwellings on the market.

- Non-census families (i.e., single persons or roommate households) usually have single incomes and less capacity to afford homeownership; thus, the gap between the actual and affordable cost of housing is unsurprising. However, lone parent households were relatively more able to afford a home in 2020. This quickly worsened afterward, particularly during recent years of high interest rates.

- Couple families (often dual-income earners) have historically been able to afford most housing in Clarenville.

Figure 7-6: Historical estimated affordable dwelling price by household family type vs median home price
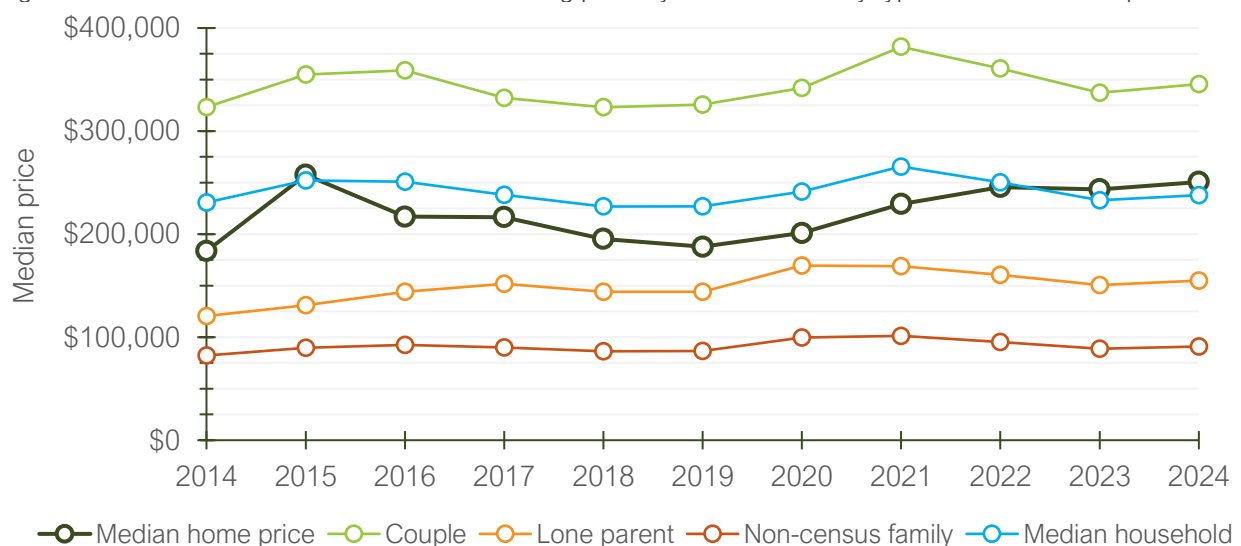
Source: NLAR®, Statistics Canada, Turner Drake & Partners

It is important to note that 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, 9% of owner households in Clarenville reported not reasonably affording where they live.

> **Stakeholder insight:**
>
> Young residents and families in Clarenville are struggling to enter the housing market, as it is too expensive for first-time homebuyers. Low-income housing is in high demand, leading to increased rates and lowered rental quality, with many residents living in inadequate conditions. Families also often tolerate inadequate housing due to limited options and fear of rent increases if they request repairs.

7.2.2 Rental market

The primary source of rental market data is the Canada Mortgage & Housing Corporation (CMHC), which conducts its Rental Market Survey annually in October. This survey focuses on what CMHC defines as "primary rental markets" – urban areas with populations of 10,000 or more. It specifically targets structures with at least three rental units that have been on the market for at least three months. Since the Town of Clarenville does not fit this market definition, it lacks related rental information.

However, we can use provincial data, particularly vacancy rates, to gain insights into broader market trends. While Newfoundland & Labrador's rental data captures its eligible urban areas, vacancy rates can offer clues about trends in other communities. Figure 7-7 illustrates the changes in provincial vacancy rates over time.

A healthy vacancy rate typically falls between 3% and 5%, represented by the shaded area in the figure. Vacancy rates exceeding 5% suggest either an oversupply of rental housing or reduced demand. Conversely, rates below 3% indicate either a shortage of available housing or increased demand. Low vacancy rates often signal a "landlord's market," where property owners can command higher rents due to high demand.

Figure 7-7: Primary rental market vacancy rates, Newfoundland & Labrador
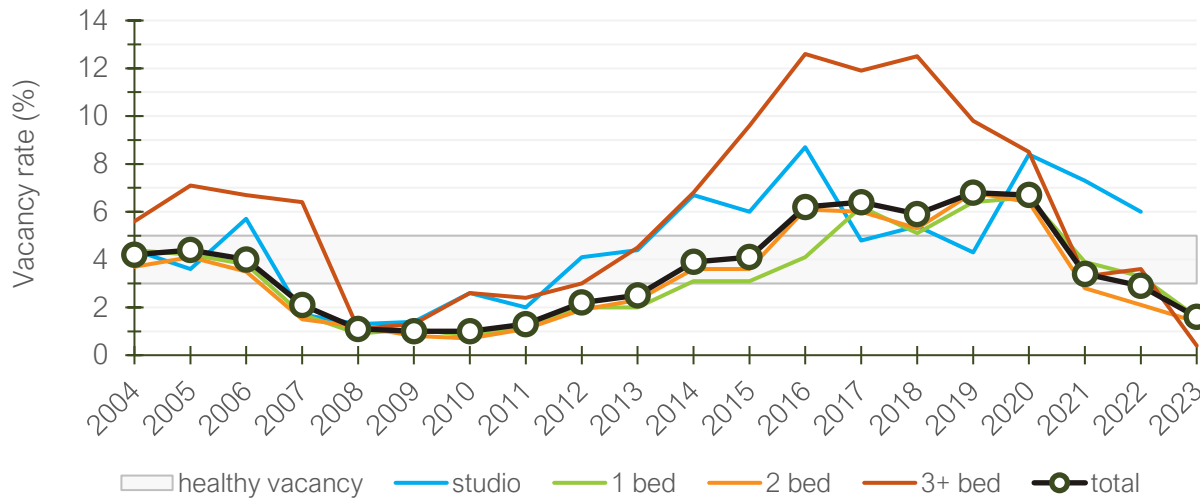
Source: CMHC Rental Market Survey

Between 2016 and 2020, the province experienced high vacancy rates, indicating a tenant's market. Anecdotal evidence demonstrates that housing supply had not significantly increased during this period, suggesting that reduced demand was the main cause of high vacancies. However, post 2021, there was a noticeable shift in demand due to post-pandemic changes, exerting pressure on rental markets and rents.

The declining vacancies in reported urban areas mean renters have fewer options, prompting many to explore alternatives in neighbouring communities. This migration places increased pressure on rental housing in areas like Clarenville.

Stakeholder insight:

Stakeholders highlighted the importance of ensuring that affordable housing options meet the needs of individuals on income support, which currently provides up to $596 a month. Many of the stakeholders' clients face challenges when landlords do not include heat and lights, creating a significant barrier to stable housing. Redirecting funds from income support to cover these expenses leaves individuals with minimal disposable income, perpetuating the cycle of poverty. To assist effectively, it is crucial that affordable housing options in the town include heat and lights, ensuring the well-being of community members.

Custom data purchased by the Canadian Rental Housing Index from Statistics Canada offers some insight into what rents may be being paid locally on average. Figure 7-8 summarizes 2021 results.

Figure 7-8: Average rent, Clarenville, 2021
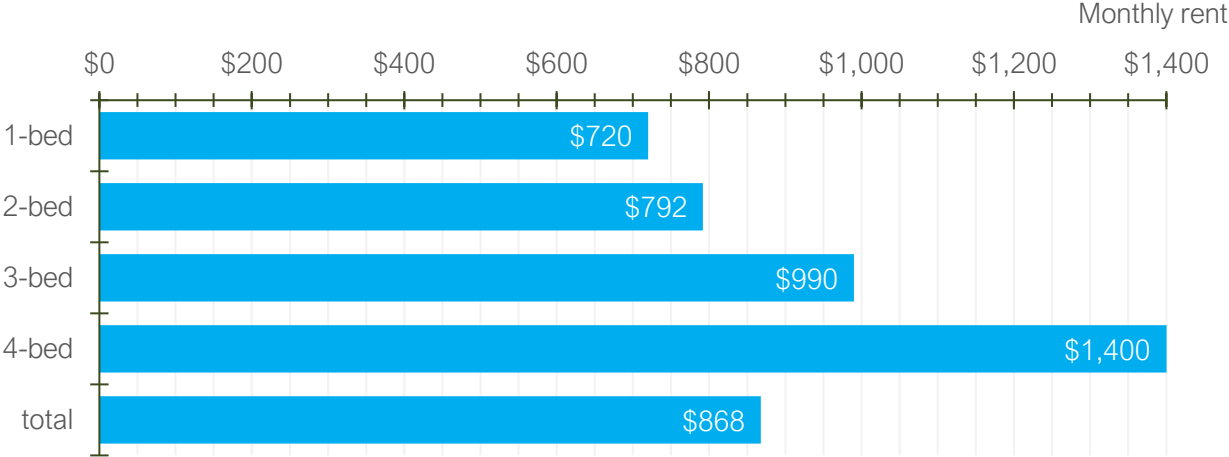
Source: Canadian Rental Housing Index[7]

In 2021, the average rent for a dwelling unit was $868, with 4-bedroom units commanding the highest rent at $1,400. Two key considerations should be noted when interpreting these figures:

1) The reported values include rents for units that have been occupied by the same tenant for an extended period. These rents may not reflect the current market rate if the unit were vacant. As a result, asking rents, such as those listed on platforms like Facebook Marketplace or Kijiji, are likely higher than the rents reported by Statistics Canada.

2) Given that provincial vacancy rates are below the healthy range, it is probable that current rents are higher than they would have been in 2021.

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7 Canadian Rental Housing Index. Cost. https://rentalhousingindex.ca/en/#cost_csd

7.3   Non-market Housing Inventory

Non-market housing is a term that covers the full spectrum of housing that lies beyond the effects of market factors. The term includes public or social housing, affordable housing provided by non-profit organizations, transitional and emergency shelters, student housing, and seniors housing, among others. Table 7-2 summarizes the non-market inventory for the Town of Clarenville.

Table 7-2: Non-market housing inventory (direct units and financial support), March 31, 2023

Type	Source	Units
Affordable housing	NL Housing	40
	Non-profit affordable housing	12
	Partner-managed housing program*	16
Transitional housing	REACH house** (bedrooms)	3
Financial support	Canada-NL Housing Benefit***	11
	Rent supplements	14
Seniors / personal care housing	Clarenville Protective Care Community	12
	Clarenville Retirement Centre	69
	Cozy Quarters Retirement Centre	74
	Dr. Albert O'Mahony Memorial Manor (beds)	44
Community total		**295**

* subsidized housing that is receiving financial and technical support from the province
** a three bedroom transition house
*** a portable housing benefit for residents in severe core housing need in the form of monthly funding assistance
Source: Newfoundland & Labrador Housing Corporation, 211 Newfoundland & Labrador

Important note:

The above table does not include 64 units provided by King's Haven Adult Living Community and the 52 units offered by Goobie Rentals Incorporated. These developments are catered to moderate to high income earning households and do not include support services that are typical of traditional retirement centres that fit within the non-market housing envelope.

Small communities like Clarenville do not often have substantial non-market housing inventories due to a combination of factors inherent to their size, demographics, and economic conditions. Unlike larger urban areas, small communities typically have limited

financial resources and administrative capacity. This constraint can hinder their ability to develop and maintain non-market housing initiatives, which often require significant upfront investment and ongoing operational funding.

Furthermore, the lack of economies of scale in smaller communities can make it challenging to sustain and develop non-market housing. Doing so often requires significant infrastructure, resources, and expertise, which may be more cost-effective in larger urban areas where there is a higher concentration of residents and services. To illustrate, Clarenville's non-market housing provision (excluding seniors' specific accommodation) is about 3.4 units per 100 households; whereas, St. John's is about 8.7 per 100.

Stakeholder insight:

There is a pressing demand for more supportive housing tailored to individuals with complex needs, which is critical for their stability and well-being. Stakeholders expressed concerns about the limited availability of low-income housing options, emergency shelters, and supportive housing, as well as the absence of transitional housing, which exacerbates the challenges faced by vulnerable residents.

There was consensus among stakeholders for a more inclusive approach to social housing, advocating for dispersing individuals across various neighborhoods to foster community cohesion and alleviate the stigma associated with affordable housing.

7.4   Post-secondary Student Housing

Clarenville is home to one of several College of the North Atlantic (CNA) campuses, serving both full-time and part-time students across various disciplines. While the CNA is the major local post-secondary institution, it does not offer on-campus accommodation for its students. Instead, it provides a list of services and listings to help students find off-campus housing.

For services, the CNA has partnered with SpacesShared, a platform that allows students interested in homesharing arrangements to match with older adult hosts. The platform seeks to help older adults age in place while offering a safe and affordable housing alternative.

Listings are available for boarding houses and apartment units. The webpage offers information about rent, inclusions and exclusions, the name of the landlord, and contact information.

7.5   Energy Considerations

There are several expenses that contribute to the overall cost of housing, whether a household owns or rents their dwelling. While these costs have always been a critical factor in determining a home's affordability, recent years of high inflation have brought mortgage and rent-related 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 consider households that bear a disproportionate energy cost burden relative to their average after-tax income to be experiencing energy poverty. There are three thresholds for energy poverty:

- 6% of after-tax income when considering utilities only,
- 4% of after-tax income for fuel used for transportation, and
- 10% of after-tax income for the combined of (1) and (2).

Figure 7-9 illustrates selected average annual living cost estimates for owning and renting households in the Town of Clarenville, inclusive of energy and gasoline costs. These estimates are produced using Statistics Canada's 2019 Household Spending Survey data, adjusted by inflation and to represent Clarenville.

- Unsurprisingly, shelter costs are the most expensive item for a household. The typical household pays either $9,850 annually on rent or $19,350 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 $29,170 to afford the average annual energy bill, while an owner household would require an income of at least $70,000.

- To consider vehicle gasoline costs affordable, a renter household would need an after-tax income of $68,750, and an owner household would need $90,000.

Figure 7-9: Average living expenses, 2023
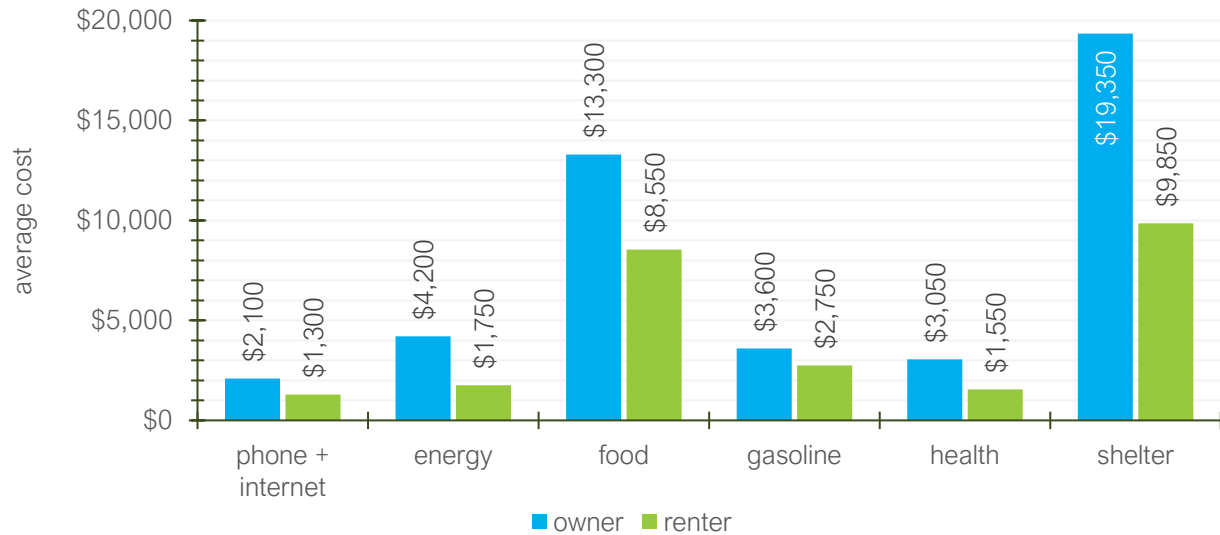
Source: Statistics Canada Household Spending Survey, 2019 – adjusted to 2023 dollars using annual CPI

Figure 7-10 analyzes what share of Clarenville's households cannot afford to pay the average annual cost of gasoline and energy (i.e., no more than 10% of their income used to pay these costs). It does so by comparing the average estimated combined expenses for owning and renting versus 10% of each income bracket maximum (i.e., a household in the $0 to $5,000 bracket can spend at most $500).

Figure 7-10: Share of households that cannot affordably pay for energy + gasoline expenses
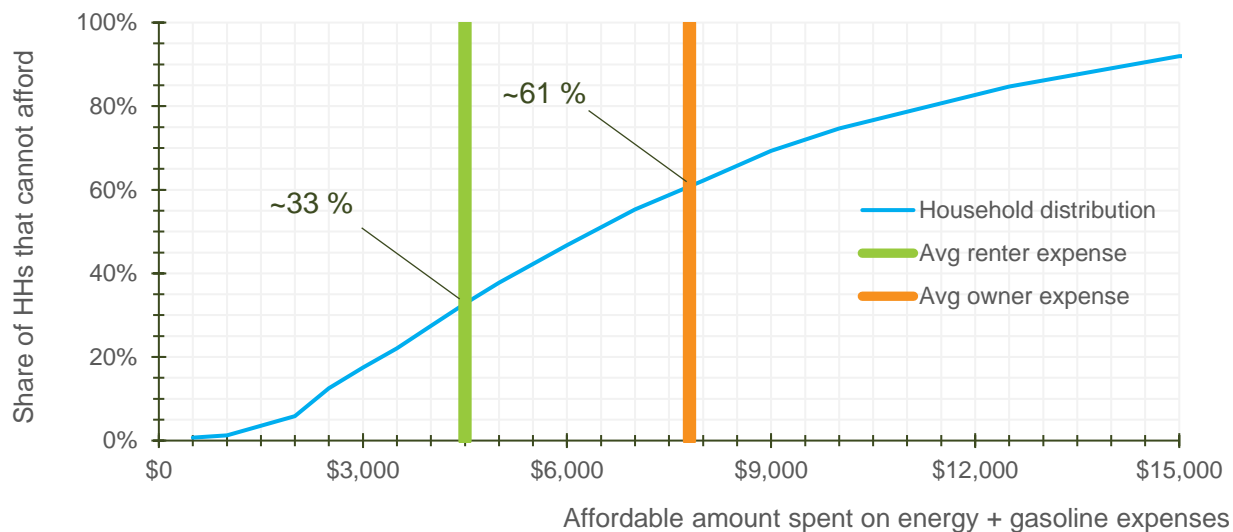

Source: Statistics Canada Household Spending Survey, 2019 – adjusted to 2023 dollars using annual CPI, 2021 Census profile

- Estimates suggest that about 33% of households would not be able to afford the average expense of a renter household (based on 2021 income distributions).

- Furthermore, about 61% would not be able to afford the average combined owner cost for energy and gasoline.

Energy poverty clearly impacts many households, forcing them to make difficult choices between essential needs. To address these concerns, municipalities can implement energy efficiency measures to reduce overall energy consumption and lower costs for residents. Initiatives may include:

- Subsidizing energy-efficient appliances,
- Offering incentivizes for retrofitting homes with better insulation and windows,
- Promoting the use of renewable energy sources like solar panels,
- Offering incentives for energy audits, and
- Providing educational programs to help residents understand and implement energy-saving practices.

Notwithstanding, incentivizing energy efficiency at the municipal level is a challenge. First, funding constraints often limit the scope and scale of such programs. Municipal budgets are typically tight and must cover a wide range of essential services, making it difficult to allocate sufficient resources for new programs. Additionally, the diversity of housing stock and commercial buildings presents a challenge. Older buildings, in particular, may require substantial retrofitting to achieve meaningful energy savings, and the cost of these upgrades can be prohibitive for property owners even with incentives. Furthermore, regulatory and bureaucratic hurdles can slow the implementation of energy efficiency programs. Municipalities may need to navigate complex building codes, zoning laws, and other regulatory frameworks, which can delay project approvals and increase administrative costs.

Despite these challenges, municipalities can make progress by forming partnerships with state and federal agencies, leveraging private sector investment, and engaging the community to build support for and improve awareness of energy efficiency measures.

8   CURRENT HOUSING NEED

8 CURRENT HOUSING NEED

CMHC's Core Housing Need (CHN) metric measures whether a household's living situation does not meet three criteria and whether there exist alternatives in the market to meet said criteria. These criteria are adequacy (the state of repair), suitability (the prevalence of overcrowding), and affordability (less than 30% of before-tax household income spent on shelter costs).

Readers may notice that the total number of households reported in the following charts may not equal those reported by Statistics Canada. This is because the households examined for Core Housing Needs include:

- only private, non-farm, non-reserve households; and
- owner and renter households with incomes higher than 0 and shelter-cost-to-income ratios below 100%.

8.1 Housing Indicators

Table 8-1 shows the inadequacy, unsuitability, and unaffordability rate for owners, renters, and Indigenous households. Most important of the figures in this table are those under the "share of households" row, showing the rate at which categories are affected by particular criteria compared to Census totals for those respective categories.

Table 8-1: Housing criteria by tenure & Indigenous identity

		Total	Owner	Renter	Indigenous
Total households		2,775	1,840	940	120
Households living in **inadequate** conditions	Households	70	55	0	0
	Change since 2016	-48%	-48%	-100%	-
	Share of households	3%	3%	0%	0%
Households living in **unsuitable** conditions	Households	45	20	25	0
	Change since 2016	+13%	-33%	-	-
	Share of households	2%	1%	3%	0%
Households living in **unaffordable** conditions	Households	515	165	340	35
	Change since 2016	+41%	+38%	+36%	+40%
	Share of households	19%	9%	36%	29%

Source: Statistics Canada 2016 and 2021 Census custom tabulations

- Between Census periods, Clarenville experienced a 48% decrease in households facing housing inadequacy due to major repair needs, while there was a 13% increase in households living in overcrowded conditions.

- Both homeowners and renters in Clarenville saw significant increases in unaffordability rates, rising by 38% to a total of 165 households for homeowners and 36% to a total of 340 households for renters. Overall, 19% of households (515) spent more than 30% of their income on shelter costs.

Clarenville's increasing trend of unaffordable housing stands in contrast to national patterns. With CERB payments boosting household incomes during the Census collection period, many households reported an enhanced ability to afford their homes compared to typical circumstances. Consequently, most Canadian communities reported improved housing affordability rates between Census periods.

Figure 8-1: Share of households living in an unaffordable dwelling, 2016 versus 2021

Share of households facing affordability challenges

Category	Unaffordable 2016	Unaffordable 2021
Total	15%	19%
Owner	7%	9%
Renter	32%	36%
Indigenous	13%	29%
Couple w/o Child	8%	8%
Couple w/ Child(ren)	3%	4%
Lone Parent	40%	31%
Single / Roommates	30%	40%
15 to 24	25%	32%
25 to 44	12%	20%
45 to 64	13%	15%
65+	18%	20%

Source: Statistics Canada Custom 2016 and 2021 Census tabulation

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The opposite trend observed in Clarenville is concerning. Figure 8-1 illustrates the widespread increase in unaffordability between 2016 and 2021 across various household categories. Except for lone parents, all other categories experienced deteriorating conditions. Including CERB payments in this data suggests that the actual level of unaffordability could be even higher than reported.

8.2 Core Housing Need & Deep Unaffordability

Deep unaffordability describes cases where a household spends 50% or more of their before-tax income on housing, providing a metric to identify households facing disproportionate financial hardship. Table 8-2 shows the proportion of those households in Core Housing Need and those that meet the deeply unaffordable criterion.

Table 8-2: Housing criteria by tenure

		Total	Owner	Renter
Total households		2,775	1,840	940
Households living in **Core Housing Need**	Households	265	40	230
	Change since 2016	+96%	+60%	+109%
	Share of households	10%	2%	24%
Households living in **deep unaffordability**	Households	120	30	85
	Change since 2016	+9%	+20%	0%
	Share of households	4%	2%	9%

Source: Statistics Canada Custom 2016 and 2021 Census tabulation

- In Clarenville, there was an increase in both Core Housing Need and deep unaffordability across the two tenures.

- The number of homeowners experiencing Core Housing Need rose by 60%, while renters saw an even larger increase of 109%.

- Overall, the total number of Clarenville households facing Core Housing Need surged by 96%, reaching 265 households. This represents 10% of all households in the municipality.

- Regarding deep unaffordability, the situation remained stable for renters, with 85 households, or 9% of the total, facing this issue. Meanwhile, homeowners experienced a 20% increase, bringing the total to 30 households, or 2% of all owner-occupied households.

- Overall, Clarenville saw a 9% rise in households experiencing deep unaffordability, with 120 households, or 4% of the total, living under such conditions as of 2021.

Similar to the affordability trends, the majority of defined household categories saw an increase in both the share and total number of households living in Core Housing Need, as illustrated in Figure 8-2. While the percentage of those facing Core Housing Need is lower than the rate of unaffordability, this upward trend indicates a growing number of people

experiencing severe housing challenges that is not related to choice or preference, but rather circumstance.

Figure 8-2: Share of households living in Core Housing Need, 2016 versus 2021

Share of households in Core Housing Need

Category	Core Need 2016	Core Need 2021
Total	5%	10%
Owner	1%	2%
Renter	12%	24%
Indigenous		17%
Couple w/o Child		2%
Couple w/ Child(ren)		
Lone Parent	20%	16%
Single / Roommates	9%	25%
15 to 24		16%
25 to 44	6%	10%
45 to 64	4%	9%
65+	5%	5%

■ Core Need 2016   ■ Core Need 2021

Source: Statistics Canada Custom 2016 and 2021 Census tabulation

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8.3   Unhoused Persons

In smaller communities like Clarenville, visible homelessness is less pronounced due to limited available services and supports compared to larger urban centres like the City of St. John's. Relatedly, many folks who are unhoused opt to migrate to larger communities for access to these services and supports. However, the absence of visible homelessness in Clarenville does not mean that the issue does not exist. In fact, many of those who are unhoused are likely hidden, making it challenging to quantify the extent of the issue.

Hidden homelessness encompasses individuals or families who lack stable or adequate housing but do not visibly appear on the streets or in emergency shelters. Instead, they may find temporary accommodations by couch-surfing, staying with friends or family, or living in overcrowded and inadequate housing conditions. Despite not being immediately visible, hidden homelessness poses significant challenges. Individuals facing hidden homelessness often experience housing instability, uncertainty about where they will sleep each night, and a lack of access to essential amenities.

Many individuals and households in the community reside in precarious housing situations, leaving them just one adverse event away from experiencing homelessness. This vulnerability is especially pronounced among those earning the lowest incomes. According to income category estimates, approximately 4% of local households, totaling 115, fall into the "very low income" bracket, earning less than $14,500 annually. Additionally, a considerable portion of the population earning a "low income," defined as less than $36,250 annually, face the risk of becoming unhoused. This category comprises 16% of households, totaling 440. The about 20% total of the two categories highlights the widespread potential impact of economic challenges on local housing security.

9   DEMAND ANALYSIS

9 DEMAND ANALYSIS

9.1 Anticipated Housing Demand

Table 9-1 provides an overview of future households and anticipated demand over the next 15 years, in five-year intervals. Overall, dwelling demand (in conjunction with total households) is anticipated to grow for the foreseeable future, increasing by 560 units from 2021 (the last Census) to 2038.

Table 9-1: Estimated and anticipated dwelling demand

Year	2023	2028	2033	2038
Anticipated households	2,825	3,020	3,185	3,305
Anticipated dwelling demand	3,175	3,395	3,580	3,715
New units since 2021	20	240	425	560

9.2 Distribution of Demand

To accurately forecast the required units by size or type requires sophisticated datasets encompassing past, present, and future individual household demand, along with an assessment of the economic feasibility of constructing these units by market players. Unfortunately, this detailed data is not available, and even if it were, predictions would remain imperfect. Thus, this report adopts two simple approaches, one to estimate minimum need and another to estimate market outcomes.

Stakeholder insight:

Stakeholders raised various concerns regarding local housing availability. A key issue highlighted is the scarcity of smaller housing options across a range of income levels, especially one-bedroom apartments, which are crucial for individuals without dependents. The current prevalence of three-bedroom accommodations does not align with the needs of single individuals or small families, leaving them underserved.

9.2.1 Demand based on minimum spatial need

Understanding how household sizes vary across different family types helps determine the number of bedrooms required in a dwelling for specific needs. Using 2021 data[8] for Clarenville, we calculate bedroom conversion rates. This approach is inspired by the methodology presented in the City of Burnaby's Housing Needs Report from January 2021.[9]

Table 9-2 provides a summary of potential guidelines for constructing unit sizes in the coming decade if we only consider the minimum National Occupancy Standards (NOS) for household sizes. It is important to note that this analysis focuses solely on the minimum size demand for new units and does not consider the historical inventory. Overall, Clarenville may require 560 new units (across the housing spectrum) by 2043 to address upcoming demand and potential resulting market imbalances.

Table 9-2: Estimated and anticipated demand by NOS dwelling size (number of bedrooms) and year

	Net new demand since 2021	Studio / 1-bedroom units	2-bedroom units	3+ bedroom units	4+ bedroom units
2023	20	10	5	5	0
2028	240	140	45	40	15
2033	425	250	75	75	25
2038	560	330	100	95	35

If we assume that demand will distribute as per the NOS, then there will be an emphasis on the provision of dwellings with fewer bedrooms. For instance, 330 of 560 demanded units (58%) could be for studio or 1-bedroom units.

9.2.2 Demand based on recent market outcomes

While the preceding analysis addresses minimum number of bedroom requirements based on defined standards, actual market outcomes – specifically, the dwellings actually occupied by households – often differ significantly. To estimate these outcomes, we utilize 2021 Census Public Use Microdata Files (PUMF) from Statistics Canada, which allow us to estimate the number of bedrooms most commonly occupied by different age cohorts of primary maintainers.[10]

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8 Statistics Canada. Table 98-10-0057-01 Household income statistics by household type: Canada, provinces and territories, census divisions and census subdivisions. DOI: https://doi.org/10.25318/9810005701-eng

9 City of Burnaby. (2021 January). Housing Needs Report. https://www.burnaby.ca/sites/default/files/acquiadam/2021-07/Housing%20Needs%20Report.pdf

10 Note that PUMF data does not provide information by municipality, instead limiting the granularity of data to CMAs and the aggregate of all areas outside CMAs. This is done for confidentiality. Relatedly, the relationship used in the noted analysis represents all Newfoundland & Labrador communities outside of a CMA (i.e., St. John's).

By incorporating projected household maintainer age data, we can assess how bedroom demand may evolve over the specified period. Additionally, to minimize the influence of historical construction trends and emphasize recent market dynamics, we specifically filter the PUMF output to focus on dwellings constructed between 2016 and 2021. Figure 9-1 illustrates the construction activity in those five years, disaggregated by number of bedrooms and maintainer age cohorts.

Figure 9-1: Distribution of dwellings (by number of bedroom) among primary maintainer age cohorts, 2016 to 2021, all areas of Newfoundland & Labrador outside CMAs

Table 9-3 summarizes the results of applying the relationship of bedrooms to maintainer age cohort (specifically for dwellings constructed between 2016 and 2021), further adjusting for the change in the relationship from 2016 to 2021 (2016 data reflects construction activity from 2011 to 2016). Note that the total demand remains the same, but the distribution of results by number of bedrooms is different than reported in the earlier table.

Table 9-3: Anticipated demand by dwelling size (number of bedrooms) and year, with consideration of recent market outcomes

	Net new demand since 2021	Studio / 1-bedroom units	2-bedroom units	3-bedroom units	4+ bedroom units
2023	20	5	10	5	0
2028	240	40	115	55	25
2033	425	80	215	90	45
2038	560	105	290	110	55

9.2.3 Minimum need versus potential market outcomes

Readers will readily observe the contrasting results presented in the two preceding tables. Table 9-4 provides a concise summary of the overall distributions derived from both analyses.

While it is likely that future outcomes will mirror recent market trends, influenced by the profit-driven model of the private market and residents' willingness to pay for available housing, the disparity underscores the absence of a universal solution in housing provision. This suggests that while relying solely on the market may lead in a specific direction, there remains feasibility in offering smaller unit sizes (as determined by total bedrooms), especially for affordable housing initiatives.

Table 9-4: Share of dwellings by number of bedrooms, minimum need versus market driven outcomes

	Studio / 1-bed	2-bed	3-bed	4+ bed
Minimum need (NOS)	59%	18%	17%	6%
Market driven outcomes	18%	50%	21%	10%

It is important to understand why a difference arises between these two approaches, and the implications for housing policy that follow from this. At face value, it could appear that one contributor to housing affordability challenges is a disconnect where profit-driven development processes are supplying housing that are larger (and therefore more expensive) than what households really want.

However, private-sector development trends are tailored not to minimum need requirements, but the preferences and desires of households purchasing new dwellings. Though housing is a basic need for everyone, its function is not limited to that, and most households make choices that reflect a broader set of priorities reflecting the lifestyle they desire. For example, older households tend to have greater income levels or financial resources which they often choose to spend on larger dwellings than their 1- or 2-person household size would suggest. Even if downsizing from an "empty nest" dwelling, additional bedrooms are often desired so that households have space for hosting visiting family or other guests, or to use as an office, workspace for hobbies, and many other lifestyle activities. With projected household growth in Clarenville more heavily weighted toward older age groups, these dynamics explain the pattern of differences in Table 9-4.

Though affordability is a challenge for many, the majority of households, and purchasers of new housing especially, have both the desire and financial resources to affordably occupy dwellings which exceed their minimum size needs. Whereas the vast majority of new housing is provided on the basis of profit-driven entrepreneurial activity in the private sector, future supply responds to these consumer demands. Therefore, it is more likely that future housing demand based on projected demographic changes will reflect a mix of sizes that are similar to the market-driven outcome rather than the minimum need approach.

9.3 Non-market Housing Deficit

9.3.1 Visualization of income versus housing continuum

Figure 9-2 illustrates a varied version of the housing continuum, as originally formulated by CMHC, and how the aforementioned income categories (and the households within each) may distribute across said continuum. It also offers an idea of the scale of government assistance may be required to achieve the housing forms within the continuum.

For instance, about 115 of Clarenville households earn an income that would categorize them as having a very low income (less than or equal to $14,500). These households – often single persons and thus single income earning – are at the greatest risk of becoming unhoused or requiring emergency housing services.

Of the 440 low-income households ($14,501 to $36,250), many would require a form of affordable or below-market rental option, with those on the lower end of the spectrum facing greater probability of requiring emergency housing and those on the higher end potentially being able to access market rental housing.

Figure 9-2: Rough distribution of households on the housing continuum

Emergency shelters & Transitional housing	Affordable or below-market rental, Co-ops	Purpose-built market rental	Secondary market rental	Affordable & below-market ownership	Attainable ownership condos & missing middle	Single detached homes

Level of government assistance

Very low income ≤ $14,500 115 HHs	Low income $14,501 to $36,250 440 HHs	Moderate income $36,251 to $58,000 585 HHs	Median income $58,001 to $87,000 430 HHs	High income $87,001 + 1,230 HHs

These relationships continue from income to income and housing form to housing form, until we reach high income earners who have the highest likelihood of achieving housing security. It is important to consider that while the continuum often does act linearly (i.e., more income provides more opportunity for housing security), it does not always do so.

9.3.2 Existing non-market housing deficit

The previous section illustrates the housing solutions that households within specific income ranges may require. However, in many cases, these households already have appropriate

housing (e.g., a low-income earner may be a retiree living in a mortgage-free dwelling). This section instead aims to highlight the estimated number of households who are in the greatest need of housing assistance

The assessment of the non-market housing deficit is an extension of HART's analysis of income categories, as detailed in Section 6.3.3. Their methodology involves cross-referencing the aforementioned income categories with household sizes and filtering for households experiencing Core Housing Need in 2021.

By examining the total number of individuals within each income category, the share of households in core need within each category, and the distribution of core need based on household size, they estimate the affordable housing deficit for 2021, categorized by income level and household size.

Table 9-5 summarizes the results of this combination of data. Note that that the sum of the table columns may not match the total due to Statistics Canada's practice of random rounding.

Table 9-5: Estimate of local affordable housing deficit, 2021

	Total local households	Households in need of affordable housing					
		Total	1-person	2-persons	3-persons	4-persons	5+ persons
Total households	2,795	270	210	25	15	0	0
Very low income	120	90	90	0	0	0	0
Low income	510	180	120	25	15	0	0
Moderate income	500	0	0	0	0	0	0
Median income	475	0	0	0	0	0	0
High income	1,195	0	0	0	0	0	0

Source: UBC Housing Assessment Resource Tools (HART)

The data suggests that:

- About 270 households would have benefitted from a form of non-market housing or programs in 2021, which may now be higher based on recent increases to market shelter costs.

- The clear volume of required affordable housing demonstrates the need for non-market, non-profit, and for-profit interventions for housing.

Expanding on Section 9.2, there will be a need to distribute the 270-unit demand of affordable units by dwelling size (number of bedrooms). In this case, if we apply the minimum need (as per NOS requirements), we get the potential build out of Table 9-6. Note that an additional

adjustment has been made to the NOS based distribution to account for no 4+ person households being reported requiring a non-market intervention.

Table 9-6: Distribution of dwellings by number of bedrooms for required affordable units

	Total	Studio / 1-bed	2-bed	3-bed	4+ bed
Adjusted NOS share	100%	71%	22%	7%	0%
Estimated unit volumes	270	190	60	20	0

9.3.3 Anticipated non-market housing

If we revisit the income categories generated by HART, we can use their findings to approximate the proportion of future demand that may necessitate non-market housing. Specifically, it is presumed that households with very low or low incomes are more likely to require assistance in accessing and maintaining housing, and thus would benefit from an expanded inventory of non-market options. In Clarenville, this pertains to households earning below about $36,250 before taxes – or those capable of affording less than $680 monthly in rent alone (if using the 30% affordability metric).

As of 2021, roughly 20% of households earned below $36,250, annually. If we project that future household distributions will mirror a similar spread, and that the demand for these households requiring non-market housing will align with the NOS bedroom count distribution outlined in Table 9-4, then we can estimate the following non-market housing build-out over the next two decades, as depicted in Table 9-7.

Table 9-7: Anticipated non-market housing demand by dwelling size (number of bedrooms) and year

	Net new non-market demand since 2021	Studio / 1-bedroom units	2-bedroom units	3-bedroom units	4+ bedroom units
2023	5	5	0	0	0
2028	50	30	10	10	5
2033	85	50	15	15	5
2038	110	65	20	20	5

9.4 Final Demand Calculations

Projecting current and future housing demand involves navigating a complex landscape, often addressed through simplified methods, as is the case in this study. Due to limited data availability and quality, several assumptions become necessary. The foremost assumption is that future political, social, economic, and environmental conditions will closely mirror the present, even when this is unlikely. Therefore, the results should be seen as headlights on a car – they offer a glimpse of what is ahead but do not necessarily reveal what is around the corner.

Nevertheless, the study undertook and borrowed from various analyses, attempting to provide a comprehensive view of the targets the municipality should pursue beyond existing construction trends. These analyses include:

- The projected housing demand (with bedroom numbers distributed by recent market outcomes).

- The non-market housing deficit, as derived using HART data (with bedroom numbers distributed by minimum spatial need).

9.4.1 Overall demand

Table 9-8 combines the results of each analysis together to offer a rough target for Clarenville currently, and over the next 15 years. It demonstrates the total units required based on new demand since 2021.

- In 2023, Clarenville may have demanded about 290 dwellings, with a potential increase to 830 by 2038. For discussions sake, this means that about 55 units may need to be built annually to meet overall demand by 2038.

- Note that, while the demand projections suggest a certain distribution of structure types, demand could be satisfied by a variety of development styles, densities, and locations.

Table 9-8: Housing targets based on new demand

	2023	2028	2033	2038
Incremental demand since 2021	20	240	425	560
	+			
Existing affordable housing deficit	270			
	=			
Potential dwellings required from 2023 onwards	290	510	695	830

9.4.2 Distribution of demand

Table 9-9 demonstrates overall housing targets (by number of bedrooms). It is the culmination of adding the results of Section 9.2.2 (market driven outcomes), Section 9.3.2 (2021 non-market housing deficits), and Section 9.3.3 (anticipated non-market demand). Note that the anticipated non-market demand discussed in Section 9.3.3 is already factored into the market driven outcomes.

Table 9-9: Overall housing targets by number of bedrooms and intended market

Year	Net new demand since 2021 + 2021 non-market housing deficit	Studio / 1-bedroom units		2-bedroom units		3-bedroom units		4+ bedroom units	
		Market	Non-market	Market	Non-market	Market	Non-market	Market	Non-market
2023	290	0	195	10	60	5	20	0	0
2028	510	10	220	105	70	45	30	20	5
2033	695	30	240	200	75	75	35	40	5
2038	830	40	255	270	80	90	40	50	5

Combining the NOS and market outcome calculations to assess the affordable housing deficit and anticipated demand, respectively, results in a new overall distribution of dwellings categorized by their number of bedrooms. Table 9-10 illustrates this relationship, utilizing shares calculated from the 2038 results.

Table 9-10: Share of housing targets by bedroom number, minimum need vs market driven outcomes, 2038

	Studio / 1-bed	2-bed	3-bed	4+ bed
Minimum need (NOS) – existing	71%	22%	7%	0%
Minimum need (NOS) – future	59%	18%	17%	6%
Market driven outcomes	18%	50%	21%	10%
Overall distribution (as of 2038)	36%	42%	16%	7%

"We must work more diligently to motivate contractors, landlords, and our municipality to provide low-income housing, housing for new Canadians, and housing with supports for those with social complexities. We must work to decrease stigma in our community around those who live in low-income properties – viewing them as a valued, beautiful part of our community – no matter what part of our neighbourhood they find themselves in."

- Clarenville Housing Needs Assessment Study Engagement Participant

9.5 Anticipated Demand versus Historical Supply

Determining the health of a housing market relies on several factors, primarily distilling into two main components: demand and supply. This document heavily focuses on the demand side of the equation, showcasing potential changes in population, households, and dwellings.

Projecting supply is a more complex endeavour, as construction activity depends not only on demand factors (i.e., whether there is enough demand to justify construction) but also economic factors such as available labour, interest rates, inflation, and material costs.

For discussion purposes, this report projects future supply by extrapolating three scenarios based on average construction activity from different time periods: 2016 to 2021, 2011 to 2015, and 2011 to 2021, using Statistics Canada data. Figure 9-3 illustrates how the potential build-out of each scenario aligns with anticipated demand.

- If construction activity follows the most recent trend (2016 to 2021), the Town of Clarenville will fall significantly short of meeting its demand targets, with a projected build-out of 340 units compared to the demanded 830 units by 2038.

- If Clarenville returns to its notable production volume of the early 2010s, it will exceed the target.

- If it follows the decade-long average, production will fall short of, but much closer to, the 2038 demand.

Figure 9-3: Supply projection scenarios based on historical rates of activity versus anticipated dwelling demand
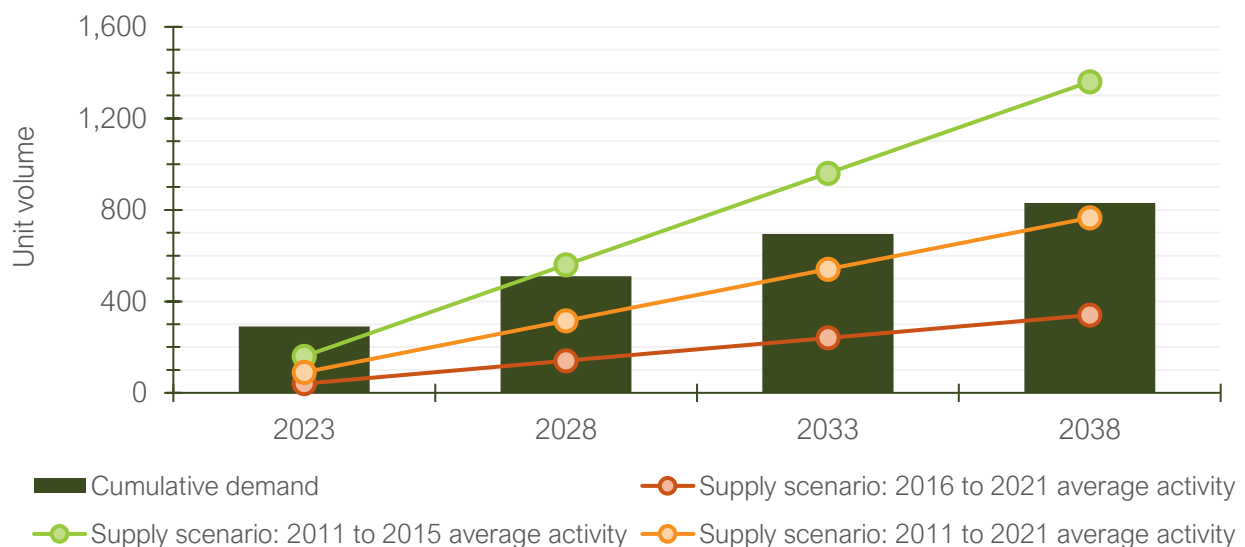
Source: Turner Drake projections, Statistics Canada

9.6   Housing for Seniors

There are significant implications for housing markets stemming from aging populations, as many seniors express a desire to age in place, remaining in their homes and communities for as long as possible. However, practical considerations often necessitate a transition to different forms of housing, driven by factors like health changes, mobility issues, or the need for specialized care. This has led to a growing demand for seniors housing options, ranging from independent living to nursing homes.

- Projections indicate a potential increase in senior-led households from 895 to 1,395 between 2023 and 2038, representing a 56% or 500 household increase.

- Currently, Clarenville has approximately 263 senior-specific beds/units across various non-market housing types.

- Maintaining the current ratio of senior units per 100 senior households suggests a future need of 410 non-market senior units by 2038, 147 more units over 15 years.

However, this estimate does not account for any existing imbalance between senior housing supply and demand, nor does it consider waitlists for local retirement homes, which reportedly have hundreds of seniors awaiting placement. Moreover, a significant portion of individuals moving to Clarenville are over 65 years old, and affordability issues are impacting fixed-income earning senior households, making it increasingly difficult to find or afford suitable housing options. Therefore, the target of 147 senior units should be considered a minimum, with efforts needed to expand affordable housing options for seniors.

Stakeholder insight:

Considerable feedback was received regarding what is missing for seniors' housing in Clarenville and what these residents might be looking for. One stakeholder highlighted that seniors prioritize ground-floor apartments with easy access, preferably without stairs. Additionally, there is substantial interest among seniors in purchasing rather than renting, yet even rental opportunities are scarce. The upkeep of homes presents challenges for seniors as well.

There is also a desire for senior homes to have age-friendly features such as walking trails and community centers. Furthermore, seniors expressed concerns about the proximity of residences to health and community services.

9.7   Land Inventory

Access to data from the Municipal Assessment Agency for the Town of Clarenville provides another perspective on the local inventory (as per the 2023 assessment roll). Figure 9-4 illustrates the estimated volume of units by occupancy type, along with the number of lots linked to each occupancy. It is important to note that the unit estimates were derived by counting the number of addresses listed in the roll data. For example, if an address was listed as 10 – 16 Main Street, it would be counted as 4 units.

Like most communities, Clarenville's land base is predominantly made up of residences. In 2023, there were about 2,540 lots used for residential purposes, offering almost 3,175 units across the community. This represents approximately 1.25 units per lot.

Figure 9-4: Estimated total units and lots by occupancy, 2023
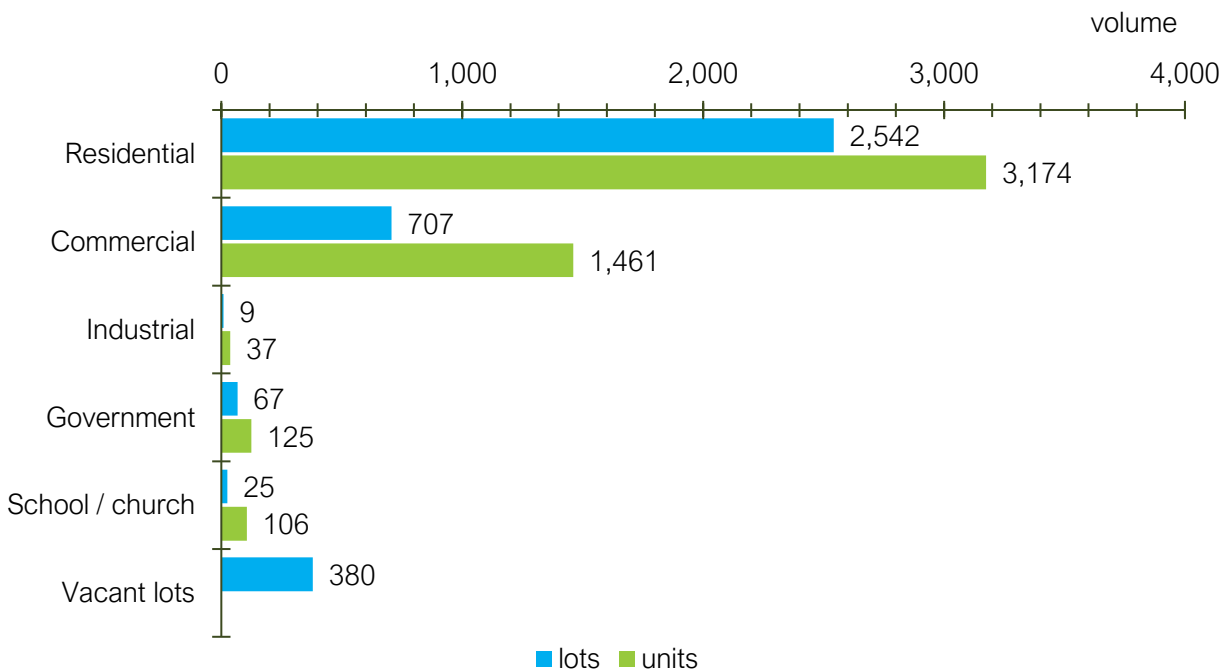
Source: Municipal Assessment Agency

There are several approaches that a community can pursue, either independently or collectively, to augment their residential inventories. Firstly, the municipality could consider amending zoning regulations to allow for increased unit densities. Additionally, residents could be educated about or incentivized to construct additional units on their existing properties. However, a significant consideration in both cases is the availability of land for development or redevelopment.

Based on estimates from 2023, there are approximately 380 vacant properties across Clarenville with various intended occupancies. For example, approximately 21 vacant properties are owned by the province, 7 by the municipality, and 11 designated for schools or churches. Assuming that all 380 lots could be developed at unit densities consistent with

the overall municipality, the vacant land alone could potentially accommodate an additional 475 units for Clarenville. However, this falls short of the projected new demand by 2038, indicating that meeting this demand will require consideration of redevelopment of existing properties or enhanced opportunities for increased density.

10 CONCLUSION

10 CONCLUSION

This Housing Needs Assessment serves as a tool for local stakeholders and government entities in understanding and addressing the housing challenges in the Town of Clarenville. Reflecting trends seen in many Canadian communities, Clarenville faces mounting housing pressures, evident in rising sale prices and stakeholder concerns about the current state of the market. The increase in local housing demand, likely driven by in-migration from neighbouring communities, appears to have outpaced recent construction levels, highlighting the pressing need for expanding housing options.

Stakeholder consultations revealed several key housing themes. A primary concern is the availability of local housing, particularly smaller housing alternatives across a range of income levels and intended clientele, with an emphasis on senior households. There was also significant emphasis on worsening affordability, mostly among vulnerable populations, and the importance of addressing this issue early to prevent future challenges. While the area has not reached the volumes of unhoused individuals seen in larger urban centres, stakeholders expressed unease that such a scenario could occur without proactive measures.

Data analysis reveals that the notable population increase between 2016 and 2021, supported mostly by growth in senior age cohorts, could continue in the foreseeable future. Projections anticipate continued population growth, accompanied by increases in household demand and overall demand for dwellings.

From 2023 to 2038, the municipality may need to build 830 new units to keep up with anticipated demand and to address 2021 non-market housing deficits, either through actual units or financial support. Of those 830 dwellings, 450 (mostly 2-bedroom units) may be assigned for market housing development, and 380 (mostly 1-bedroom or smaller units) for non-market interventions.

11 DEFINITIONS

11 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 DIVISION (CD)" means the grouping of neighbouring municipalities, joined together for the purposes of regional planning and managing common services (i.e., relative to Clarenville this is Division No. 7);

"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;

"CENSUS SUBDIVISION (CSD)" is the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes. Census subdivisions are further classified by type, like City or Town;

"CHILD" refers to any unmarried (never married or divorced) individual, regardless of age, who lives with his or her parent(s) and has no children in the same household;

"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;

"**RESIDUAL DEVIATION**" refers to the difference between demographic population growth calculated using intercensal estimates of population between two dates and that obtained by the sum of the components for the same period;

"**CORE HOUSING NEED**" is when housing falls below at least one of the adequacies, 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;

"**DEEP UNAFFORDABILITY**" has the same meaning as unaffordability except that the household has shelter costs for housing that are more than 50% of total before-tax household income;

"**DWELLING**" is defined as a set of living quarters;

"**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;

"OTHER SINGLE-ATTACHED HOUSE" means a single dwelling that is attached to another building and that does not fall into any of the other categories, such as a single dwelling attached to a non-residential structure;

"EMPLOYMENT RATE" means the total number of employed persons expressed as a percentage of the population 15 years of age and over;

"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;

"INDIGENOUS IDENTITY" refers to whether the person identified with the Aboriginal peoples of Canada. This includes those who are First Nations (North American Indian), Métis or Inuk (Inuit) and/or those who are Registered or Treaty Indians (that is, registered under the Indian Act of Canada), and/or those who have membership in a First Nation or Indian band;

"LABOUR FORCE" refers to the civilian non-institutional population 15 years of age and over who, during the survey reference week, were employed or unemployed (but seeking work);

"LOW-INCOME MEASURE, AFTER TAX" refers to a fixed percentage (50%) of median adjusted after-tax income of private households. The household after-tax income is adjusted by an equivalence scale to take economies of scale into account. This adjustment for different household sizes reflects the fact that a household's needs increase, but at a decreasing rate, as the number of members increases;

"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;

"PARTICIPATION RATE" means the total labour force expressed as a percentage of the population aged 15 years and over;

"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 or do not match the definition of a primary rental market;

"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;

"UNEMPLOYMENT RATE" means, for a particular group (age, sex, marital status, geographic area, etc.), the unemployed in that group, expressed as a percentage of the labour force in that group;

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

12   ASSUMPTIONS & METHODOLOGY

12 ASSUMPTIONS & METHODOLOGY

The report applies several steps and assumptions when performing analysis calculations, which vary depending on the type of analysis. A summary of these steps and assumptions for upcoming figures are as follows.

12.1 Assumptions

12.1.1 Mortgage

Assumption	Value
Amortization period	25 years
Interest rate	average weekly rate in a given reference year
Down payment	10% of purchase price
CMHC insurance	3.10% (tied to 10% down payment)

12.1.2 Affordability

Assumption	Value
Income used for shelter expenses	30% of before-tax household income
Ancillary shelter costs	25% of shelter expenses
Direct shelter costs	75% of shelter expenses (i.e., 1 – ancillary costs)

12.2 Methodology

12.2.1 Table 5-2: Estimated 2023 and anticipated population by scenario and age cohort

To produce population projections, we applied the Cohort Survival Method (CSM). The cohort survival method is a demographic technique used to project future populations by following age cohorts through time. It is based on the idea that population changes are influenced by birth rates, death rates, and migration patterns.

Steps in the Cohort Survival Method:

1. Base Population: Start with a base population, typically segmented by age and sex. This is usually taken from the Census or annual Statistics Canada population estimates (if available).

2. Age Cohorts: Divide the population into cohorts, usually by five-year age groups (e.g., 0-4, 5-9, 10-14, etc.).

3. Mortality Rates: Apply age-specific mortality rates to each cohort to estimate the number of survivors in each group over a specified period. These rates are often obtained from Statistics Canada provided life tables.

4. Fertility Rates: Apply age-specific fertility rates to the female population to estimate the number of births that will occur. The number of births is then distributed into the youngest age cohort (typically 0-4 years).

5. Migration: Adjust each cohort for expected migration. This CSM opts to use internally calculated migration rates by determining the difference between the expected population of each age cohort in an existing Census year (i.e., what total might there be after fertility and mortality assumptions) and the actual population of each cohort in said year.

6. Project Forward: Move each cohort forward in time by the chosen period (e.g., five years). The population that was aged 0-4 becomes 5-9, 5-9 becomes 10-14, and so on. Repeat the process for each subsequent time period to generate population projections.

12.2.2 Table 5-6: Estimated 2023 and anticipated 2033 households by scenario and age cohort

Household growth is a fundamental component of housing demand. By definition a household requires an available dwelling to occupy. Therefore, household projections are closely linked with the required increase in housing stock to accommodate expected population changes.

Projecting future growth in the number of households requires two related data inputs:

1. population projections, and
2. the historical proportion of maintainers by age cohort, divided by the total people in that cohort (i.e., the "headship rate").

Total demand is calculated by applying the headship rates of (2) to the change in the number of people at a given age determined by (1). The 2016 headship rates are used to apply a pre-pandemic relationship.

For instance, if there were 100 households in 2016 led by someone aged 25 to 34 years old, and 200 people in that age category, the corresponding headship rate would be 0.5. If the total number of 25-to-34-year-olds increases to 300 by 2031, the number of anticipated households would then be 150. Aggregating results for each age group provides the total expected number of households in a given projection year.

12.2.3 Table 9-1: Estimated and anticipated dwelling demand

To estimate housing demand, we establish a connection between the total number of dwellings and the total number of households, as reported by Statistics Canada. This relationship helps us gauge how the expected growth in households may translate into the demand for dwellings in the foreseeable future.

In the case of Clarenville, we utilize the relationship between the total number of dwellings in 2016 (2,810) and the total number of households in 2016 (2,500) to project households into the future.

Essentially, we multiply the total projected households by a factor of 1.12 (derived from dividing 2,810 by 2,500) to determine the total number of dwellings needed. This method maintains consistency with our approach of using 2016 headship rates for household projections. Additionally, this adjustment acknowledges the fact that not all dwellings are permanently occupied, and focusing solely on dwellings occupied by usual residents overlooks the demand for second homes or seasonal residences, among other tenures.

12.2.4 Table 9-2: Estimated and anticipated demand by NOS dwelling size (number of bedrooms) and year

In general, Burnaby aligns its unit size with National Occupancy Standards (NOS), which stipulate the minimum bedroom sizes needed (e.g., a one-bedroom unit as the minimum requirement to meet the needs of a couple without children). The table below summarizes how unit sizes may distribute by household type for Clarenville in 2021.

Household type	Total	Studio / 1-bed	2-bed	3-bed	4+ bed
Couple w/o child(ren)	865	100%	0%	0%	0%
Couple w/ child(ren)	720	0%	44%	46%	10%
Lone parent	250	0%	55%	39%	6%
Non-relatives	850	92%	7%	1%	0%

Household type	Total	Studio / 1-bed	2-bed	3-bed	4+ bed
Other families	300	0%	0%	40%	60%
Total	2,805	58%	18%	17%	6%

13   HOUSING INDICATORS & MONITORING

13 HOUSING INDICATORS AND MONITORING

Collecting and maintaining longitudinal data can help inform short- and long-term strategic planning for the Town of Clarenville. While the municipality may already have internalized data, said data may not be formally compiled together to develop a monitoring narrative around current or anticipated housing conditions.

Based on information provided in the above housing needs report, the following measurables are good indicators of how and why the municipality might be changing. All data pieces are and should continue to be publicly available over the foreseeable future, with varying degrees of complexity for accessing the data.

Regularly filling out these tables (when new data becomes available) helps provide a time stamp of the community that can be referenced at present or during ongoing iterations. The included questions inform basic analysis of the data and appropriate policy responses.

13.1 Population

Age cohort	Most recent Census	Share of total	Total previous Census	% change
Total population				
0 to 14				
15 to 24				
25 to 44				
45 to 64				
65 to 84				
85+				

Source :

- Every five years – Statistics Canada Census profile

Key questions :

- Is there a balance of working age people (15 to 64) to total population? Is the ratio of youth + seniors to working age people healthy for the type of community and services provided? For instance, are there more youth + seniors who are economically

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dependent (i.e., not working) compared to working age people who are independent (i.e., working)?

- Does the vision for the city account for any disproportionately prevalent population segments?

- Are there adequate services to meet the relatively higher needs of that population?

13.2 Household Sizes

Household size	Total HHs	% change	Owner HHs	% change	Renter HHs	% change
Total HHs						
1-person						
2-persons						
3-persons						
4-persons						
5+ persons						

Source:

- Every five years – Statistics Canada Census data tables[11]

Key questions:

- What household sizes are growing or decline most rapidly? Are these changes particularly noticeable for households that own or rent the place they occupy?

- Is there a possible route cause for the change? For instance, has there been significant immigration over the comparison period?

11 2016 – Statistics Canada Catalogue No. 94-400-X2016220
    2021 – Statistics Canada Catalogue No. 98-10-0240-01

13.3 Household Types

Household type	Total HHs	% change	Owner HHs	% change	Renter HHs	% change
Total HHs						
Couples w/ child(ren)						
Couples w/o child(ren)						
Lone parents						
Non-census						

Source :

- Every five years – Statistics Canada Census data tables [12]

Key questions :

- Are more families choosing to live in the community?

- Is the population ageing and thus transitioning from larger families to families without children or single-person households? Or is there growth across the board?

- What services might be needed to account for disproportionate changes to certain household types?

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12 2016 – Statistics Canada Catalogue No. 98-400-X2016227
  2021 – Statistics Canada Catalogue No. 98-10-0232-01

13.4 Household Incomes

Share of households earning:	Recent Census	Previous Census	Percentage point (pp) change
< $20,000			
$20,000 to $39,999			
$40,000 to $59,999			
$60,000 to $79,999			
$80,000 to $99,999			
$100,000 +			

Household income	Recent Census	Previous Census	% change
Median before-tax			
Average before-tax			

Source :

- Every five years – Statistics Canada Census profile

Key questions :

- Are median and average incomes for household types rising? If not or if so, by what magnitude?

- Is there a particular reason for the change? For instance, growth of a new industry, new government transfers (e.g. CERB), or general economic trends?

- Are particular income brackets experiencing more dramatic changes than others in terms of their relative share of total households? I.e., has the share of households earning less than $40,000 increased or decreased?

13.5 Market Activity

Shelter item	Latest reported year	Previous reported year	% change (if applicable)
Median home price			
5-yr mortgage rate			

Source :

- Median home price: annual from NLAR ® or other realtor organizations [13]
- Mortgage rate: Statistics Canada [14]

Key questions :

- Are home prices about the same as prior or rising? Is this rise above general inflation?

- Relatively speaking, are incomes growing faster than housing prices?

- How might the change in interest rates impact the cost of housing locally? I.e., higher interest rates make it more expensive to borrow money.

13.6 Housing Inventory

Activity	Total	% change	Owned (if available)	% change	Rented (if available)	% change
Units permitted						

Source:

- Annual - units permitted: municipal data

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13 CREA. (2023). Try to the MLS® HPI Tool. https://www.crea.ca/housing-market-stats/mls-home-price-index/hpi-tool/

14 Statistics Canada. Table 10-10-0145-01 Financial market statistics, as at Wednesday, Bank of Canada.
       DOI: https://doi.org/10.25318/1010014501-eng

Key questions:

- Are more dwellings being permitted than before? Is there a particular type of purpose built tenure or dwelling style being applied for?

- Are their enough units permitted entering the pipeline to sustain a growing inventory over the near-term?

- Are the dwelling styles being built appropriate relative to municipal goals and changing household characteristics?

13.7 Shelter Attainability

Attainable rent by income level	Latest Census	Previous Census	% change (if applicable)
Median income			
Average income			

Formula:

- $Monthly\ shelter\ cost = \frac{median\ HH\ income}{12} * affordability * (1 - indirect\ costs)$

  Median HH income = values from the **Income** table.
  Affordability = chosen affordability threshold (i.e. CMHC's 30% of income)
  Indirect costs = assumed share of shelter costs not related to rent or mortgage

Attainable home price	Latest Census	Previous Census	% change (if applicable)
Median income			
Average income			

Formula:

- $Purchase\ price = M * \frac{(1+i)^n - 1}{i*(1+i)^n} * \frac{1}{1-dp}$

  M = mortgage payment (or monthly rent payment from previous table)

i = prevailing interest rate divided by 12 (monthly rate)
n = total months to pay off debt (e.g., 25 year or 300 month amortization period)
dp = down payment percentage

Calculations do not consider CMHC mortgage insurance for simplicity.

Key questions:

- What house price could an attainable monthly shelter budget potentially afford now and a year ago? Is there a significant difference? How have actual prices changed relative to an affordable price.

- Similarly, what rent price could be attainable based on historical incomes? How have actual rents change relative to this affordable rent?

13.8 Housing Need Criteria

Household type	Total HHs	% change	Owner HHs	% change	Renter HHs	% change
Total households						
Unsuitable housing						
# of households						
% of total households						
Inadequate housing						
# of households						
% of total households						
Unaffordable housing						
# of households						
% of total households						
Core Housing Need						
# of households						
% of total households						

Source :

- Every five years – Statistics Canada Census data tables [15]

Key questions :

- Are the # and % of households in all situations listed above increasing or decreasing? Sometimes the % will decline while the # remains the same or increases,

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[15] 2016 – Statistics Canada Catalogue No. 98-400-X2016231

2021 – Statistics Canada Catalogue No. 98-10-0247-01

Note that the data tables are slightly different, so results may not be directly comparable.

demonstrating that the growth of households in these circumstances has grown slower than total households.

- Are the # and % of households in Core Housing Need increasing or decreasing? Which of the housing criteria (adequacy, suitability, and affordability) seems to contribute the most?