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## Lessons in Rural Housing: Regional District of Kootenay Boundary Case Study

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## **Lessons in Rural Housing: Regional District of Kootenay Boundary Case Study**

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### **Abstract**

Housing, while often thought of as an urban issue, is also fast-growing rural challenge. Differences in population density, construction costs, and the age of housing stock means that housing issues look different between urban centres and rural areas, and across different types of rural. A rural lens is required to better understand housing challenges and how they can be addressed.

Like many parts of rural British Columbia, the Regional District of Kootenay Boundary (RDKB) is facing current and future housing challenges. This case study summarizes a collaborative applied research project conducted by the RDKB and Selkirk College that aimed to meet two objectives:

1. Identify successful local and regional approaches to rural market housing development, including mixed-use and mixed-income models.
2. Engage housing developers to pinpoint challenges and barriers to development of market housing.

The goal of this case study is to summarize the findings of the project and communicate ideas and lessons learned that may benefit other rural jurisdictions.

Based on an analysis of mixed-methods qualitative data, five overarching and interrelated themes emerged that are impacting rural housing needs: (a) aged housing stock, (b) homogenous supply of housing type, (c) limited or no rental vacancy, (d) nexus of control, and (e) limited data for rural communities consistently recurred as barriers to housing supply. These findings have the potential to inform both local and upper-level governments related to rural housing challenges.

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**Keywords:** housing, rural lens, housing policy, British Columbia, barriers

## **Leçons sur le logement rural : Étude de cas sur le district régional de Kootenay Boundary**

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### **Résumé**

Le logement, bien que souvent considéré comme un problème urbain, est également un défi rural en pleine croissance. Les différences de densité de population, de coûts de construction et d'âge du parc immobilier signifient que les problèmes de logement sont différents entre les centres urbains et les zones rurales, et entre les différents types de zones rurales. Une optique rurale est nécessaire pour mieux comprendre les défis en matière de logement et la façon de les résoudre.

Comme de nombreuses régions rurales de la Colombie-Britannique, le district régional de Kootenay Boundary (RDKB) fait face à des défis actuels et futurs en matière de logement. Cette étude de cas résume un projet collaboratif de recherche appliquée mené par le RDKB et le Collège Selkirk, visant à répondre à deux objectifs :

- 1- Identifier des approches locales et régionales réussies pour le développement de logements du marché en milieu rural, y compris des modèles à usage mixte et à revenus mixtes.
- 2- Engager les promoteurs immobiliers pour identifier les défis et les obstacles au développement du marché immobilier.

L'objectif de cette étude de cas est de résumer les conclusions du projet et de communiquer les idées et les leçons apprises qui pourraient profiter à d'autres juridictions rurales.

Sur la base d'une analyse de données qualitatives à méthodes mixtes, cinq thèmes principaux et interdépendants ont émergé qui ont une incidence sur les besoins en logements en milieu rural : (a) parc de logements vieillissant, (b) offre homogène de type de logement, (c) logements locatifs limités ou inexistantes, (d) lien de contrôle et (e) constante récurrence de données limitées pour les communautés constituant des obstacles à l'offre de logements. Ces résultats ont le potentiel d'informer les gouvernements locaux et ceux des échelons supérieurs sur les défis du logement rural.

**Mots clés :** logement ; optique rurale; politique du logement; Colombie britannique; barrières

## **1.0 Introduction**

Housing, while often thought of as an urban issue, is also a fast-growing rural challenge (Federation of Canadian Municipalities, 2018), one exacerbated by COVID-19 (Anania, 2021; Statistics Canada, 2022a). However, differences in (a) population density, (b) construction costs, (c) access to serviced land, (d) impact of natural disaster events, and (e) the age of housing stock means that housing issues look different between urban centres and rural areas, and across different types of rural. A rural lens is required to understand these housing challenges and how to address them within the rural context.

As of April 16, 2019, all local governments in the Canadian Province of British Columbia (BC) are required to complete a housing needs report that collects data and analyzes housing trends in an effort to better understand local housing needs and to inform decision making (Province of British Columbia, 2021a). As part of these ongoing discussions on housing, the Regional District of Kootenay Boundary (RDKB) identified that they, like many parts of rural British Columbia, are facing current and future housing challenges. Working in collaboration with Selkirk College's Columbia Basin Rural Development Institute, a research project was developed to meet the following objectives:

1. Identify successful local and regional approaches to rural market housing development from within the existing literature, including mixed-use and mixed-income models.
2. Engage housing developers within the region to pinpoint challenges and barriers to development of market housing.

The following case study summarizes the findings of this research project, with the aim of providing ideas and lessons learned for other rural jurisdictions. We first introduce the case study region, followed by a description of methods, presentation of findings—including a summary of critical points and best practices, and, lastly, a discussion of emerging themes which may be transferable across rural regions.

## **2.0 Case Study Description**

Located in south-east BC, the RDKB encompasses 8,200 square kilometres, serves 33,000 residents, and is on the traditional and unceded territories of the Sinixt, the Syilx, the Secwepemc, and the Ktuanxa (Regional District of Kootenay Boundary, 2021). Regional districts are a form of local government unique to BC that provide local government and services to unincorporated rural communities, as well as working in collaboration with incorporated municipalities within their boundaries (Province of British Columbia, 2021b).

Within the RDKB the provincially required Housing Needs Report identified housing needs, gaps, and issues across the region's eight municipalities and five electoral areas (CitySpaces, 2020). The RDKB is facing an inadequate supply of market housing to meet current and future housing needs across a range of demographics, particularly young families, independent and active seniors seeking to downsize, and market rentals for workforce and seniors (Howse et al., 2021b).

The current shortage of market housing options in the RDKB is a result of a number of factors, both past and present. Similar to other rural regions, social, economic, and environmental influences over time have culminated in a housing stock that is

predominantly made of single-family dwellings that are aged and require major repairs and upgrades (CitySpaces Consulting, 2020). In addition to the housing stock homogeneity, common issues across the region included (a) the increased cost of living, (b) a general lack of suitable housing across multiple demographics, (c) discrimination and stigma towards vulnerable populations, (d) low-to-no rental vacancies, and (e) high costs involved for both construction and renovations (CitySpaces Consulting, 2020). At the time of the research, the region's population was anecdotally noted to be increasing, impacting employee attraction and retention (Author, 2021b). This demographic trend was confirmed by the release of the 2021 census which reported a 5.4% increase across the regional district as a whole, but larger increases in specific sub-regions, including +21.7% in Kootenay Boundary Electoral Area C and +39.4% in Kootenay Boundary Electoral Area E (Statistics Canada, 2022b). Additionally, aging demographics are driving demand for seniors' specific housing, of which little dedicated senior housing exists in the region (CitySpaces Consulting, 2020). Lastly, recent natural disaster events—including major floods and wildfires—have also exacerbated housing shortages in the region due to (a) the already limited supply being further reduced, (b) the susceptibility of the aged housing stock to damage that prevents renovation, (c) damage to local government infrastructure that can prevent new residential building, and (d) land access restraining where recovery developments can begin (Author, 2021a).

### **3.0 Methods**

Taking an interdisciplinary approach that blended (a) economic development, (b) health and social services, (c) disaster management and recovery, and (d) political science, this research was a mixed-methods qualitative review using a grounded theory approach (Glaser & Strauss, 1967). The research occurred in the following phases:

1. Primary literature scan.
2. Targeted literature review.
3. Partner-led stakeholder conversation.
4. Analysis of existing examples of rural housing developments.
5. Triangulation and review for emergent themes.

In phase one, following Dunne (2011), a preliminary literature scan was conducted to provide macro and historical understandings of housing models and challenges in Canada. This literature scan included peer-reviewed journals, government sources, and grey literature and revealed common housing issues and their associated best practices in urban-Canada, creating the starting point for the constant comparison method, as set out by Glaser and Strauss (1967).

This was followed by phase two, a targeted literature review, content analysis, and summary of literature specific to the identification of successful local and regional approaches to rural market housing development in Canada. Emphasis was placed on recent—within the last 10 years—literature, although some exceptions were made. Literature included (a) peer-reviewed journals, (b) government websites, (c) recognized industry expert organizations, and (d) news outlets or press releases as found using keywords such as 'rural housing + Canada', 'rural housing + BC', 'rural housing models.' General internet searches were conducted using google search to identify grey literature, as well as direct searches of key organizations (e.g., Federation of Canadian Municipalities). Google scholar was used to identify

academic literature. Additional searches for ‘seniors housing rural Canada’ and ‘disaster recovery’ were included to respond to specific case study region needs. As part of this review, noteworthy existing examples of rural housing developments were identified from the literature for additional content analysis to identify lessons learned relevant to the case region (phase 4).

Phase three—partner-led stakeholder conversation—as initially driven by the need to understand the case study region, specifically to speak to the objective of engaging with regional housing developers to pinpoint challenges and barriers to development of market housing. However, as a result of the limitations of the existing literature, this evolved into targeted, partner-led conversations with a range of key stakeholders, including, (a) elected officials and government staff, (b) realtors, (c) builders, (d) developers, (e) business leaders, and (f) regional organizations. Conversations sought to supplement emerging themes to barriers and best practices using a systematic approach to verify initial findings that followed a series of questions targeted to the partners area of expertise. Realtors and developers were asked about barriers to building new developments that looked at processes, services, and bylaws. Local and regional organizations were asked about rental opportunities and issues post-disaster on rebuilding and rehousing and the role of local government in supporting those efforts. Government staff and elected officials were asked about their processes and provincial or federal roles in building, renovating, and supporting housing. A research ethics review was not conducted for these informal, partner-led conversations. Summaries of their findings and specific examples are included within this article.

Phase four involved an additional content analysis of existing examples of rural housing developments demonstrating different housing development models that had been identified in the literature or through conversations in order to identify lessons learned relevant to the case region. Six rural housing examples were chosen to analyze to better understand different models of housing developments in rural areas. The cases were selected based on their targeted demographic, the similarity to RDKB population, and proximity to the local study area. This phase involved searching respective websites, newsletters, and news outlets.

In phase five, the findings of the literature review were combined with the information gathered through the partner-led stakeholder conversations and the review of existing examples and analysed to triangulate findings and identify emerging overarching themes. The generation of emerging themes came from noted commonalities throughout the research. As happens during the constant comparison method, the integration of new data on common categories are constantly updated as information is uncovered. Initial coding began as barriers and best practices in housing were identified. As rural data became available, those categories were updated with rural specific properties. The properties began to form barriers within barriers, thus forming additional categories and driving the need to re-code and analyze those barriers and best practices that are based on rural-specific concerns.

For example, a common barrier to housing developments is the cost of upgrading or installing associated infrastructure, such as water or sewer lines. The associated best practice is for local government to do that servicing itself or provide some other incentive to relieve that cost to the developer. The population density would allow the local government to recover those costs through various taxes or other development charges. In rural areas, this barrier is heightened by the distances required for these services, the cost-to-recovery ratio of housing allowed on an

already full or nearly full service due to the aged infrastructure—for example, a septic system—and the impacts of new building safety codes or insurance restrictions that may restrict where housing is able to be built—for example, not within a flood zone.

This project was developed specifically to respond to questions within the RDKB related to housing models and barriers. It was not designed to develop or test a theory. However, given the growing prominence of housing as a challenge in rural areas, the information gathered, and lessons learned may be transferable to other rural communities. It is, however, important to acknowledge that this research was not designed with transferability in mind. While the themes that emerged in this research may exist in or resonate with other areas, further research is required to explore transferability and to further develop and test related theories.

## **4.0 Findings**

Despite increased interest in housing from senior orders of government, such as the “National housing strategy: A place to call home” (Government of Canada, 2018), and BC’s provincial strategy, “Homes for BC” (Province of British Columbia, 2018), there remains a housing gap for those who are seeking rentals or entry-level home ownership. Termed the missing middle, this demographic encompasses households such as seniors, workforce, singles, young families, and first-time home buyers. The case region (the RDKB, BC) is facing an inadequate supply of market housing particularly related to this missing middle.

The findings of phases one to four are summarized below. It is also important to note that our review found an overarching lack of literature and data specific to rural housing. Most housing research focuses on urban settings where identified best practices are supported by economies of scale and population density. For rural housing research that does exist, the focus is often on subsidized housing or addressing the immediate housing needs of homeless or near homelessness. As a result, we supplemented the literature with perspectives from the partner-led stakeholder conversations. The findings are presented in four sections: (a) Housing Background & Demographic Issues, (b) Influences, (c) Development Barriers, and (d) Noteworthy Rural Practices.

### ***4.1 Housing Background & Demographic Issues***

There are multiple, interconnected factors that impact the development of rural market housing. These factors extend beyond profitability and add complexity to the housing landscape, particularly in rural settings where integrated approaches are considered a best practice (Whitelaw & Barrs, 2016). While some factors occur locally, many are at a global level and extend far beyond the scope of local government control (Careless, 2020). This creates a complex and dynamic relationship that permeates rural housing and demands an integrated, holistic approach to addressing associated concerns, particularly in rural communities.

This section provides context to historical factors that have influenced the general housing landscape with a focus on the noted demographic of the missing middle: (a) young families, (b) independent and active seniors seeking to downsize, and (c) market rentals for workforce and seniors. Understanding the history combined with specific demographic concerns yields insights on the influences of why shortages in the RDKB exist.

Since 1999, housing prices in Canada have increased 154%; and, in every major Canadian city, prices have at least doubled since this period (Carr, 2015). There are approximately 1.2 million people estimated to be in core housing need, including those who are being priced out of their local markets due to rising house prices (Kershaw, 2019). This includes seniors and young people earning moderate and stable incomes who are seeking suitable rentals or home ownership options (Leviten-Reid & Parker, 2018).

For younger Canadians and those who belong to a visible minority (Hemingway et al., 2020), education debt and unemployment continue to raise concern and will impact housing (Canadian Federation of Students, n.d.). Since the 2008 recession, there are fewer permanent, full-time employment opportunities, forcing younger workers into under-employment and precarious employment scenarios, which is compounded by increasing tuition-related debt (Carr, 2015). For a typical person aged 25–34, the average home price would need to drop nearly 50% or their earnings would need to double (Kershaw & Eaves, 2019). In 1976, it took an average of five years for a young person to save up for a 20% down payment on an average priced home in Canada. Today, it takes an average of 13 years (Kershaw & Eaves, 2019). To achieve the Canadian Mortgage and Housing Corporation's (CMHC) 2030 goal of affordable housing for all, the average home price in BC would have to fall \$452,000 or full-time earnings would have to increase to \$136,200, nearly triple the current earnings level (Kershaw & Eaves, 2019). While it is recognized that affordability and pay gaps vary across the province, this data is unavailable for smaller communities and rural regions—which is, in itself, an issue.

Seniors also face housing issues. Nearly one quarter of seniors in Canada are living below suitable standards and, of those living in unsuitable housing, a distinct gender-gap has emerged: 57.4% of those households are single women (Puxty et al., 2019). Beyond suitability, new housing developments often lack good environmental design concepts, such as aging in place considerations. These design concepts are noticeably absent in older and aged housing stocks (Puxty et al., 2019). Rural communities are typically car-oriented and dependent with limited walkability or restrictive public transportation access. This can create social isolation and lead to significant health and safety concerns as access to grocery stores, medical care, and shopping centres has been identified as the single-most important factor for seniors' housing developments (Brown & Teixeira, 2015). Seniors' communities located outside of walkable neighbourhoods are less likely to be sustainable over time as seniors age out, become less mobile, and require more care (Basis, personal communication, November 2020).

The tenant-landlord relationship can be complicated, especially in areas of low vacancy. BC has one of the lowest vacancy rates in the country, averaging 1.3% and trending as low as 0.9% in some communities (Hemingway et al., 2020). In 2018, the province convened a *rental task force* to provide recommendations on improving the security and fairness for renters and rental housing providers, with a lack of supply identified as the top issue and a contributing factor to tenant–landlord conflict (British Columbia Rental Housing Task Force, n.d.). Young singles, couples, and families with children experience inequity in access to rental units (Farooqui, 2020), with reports of landlords choosing to target advertisements to desired tenants, such as seniors (Leviten-Reid & Parker, 2018).

For disaster recovery, there is recognition within the property and casualty insurance industry that severe weather and climate change are top risks (Global Federation of



Insurance Associations, 2020). In Canada, there has been a consistent pattern of major weather-related losses over the last decade, with the expectation that this trend will continue (McGillivray, 2019). When a disaster creates a large influx of homelessness in a community that already has limited housing options, it can compound an already traumatic event. There is a recognized gap in disaster recovery resources from government. Most recovery resources focus on the economic and business sectors but as research and understanding acknowledges the costs associated with trauma, chronic disease, and mental health from inadequate housing, many plans are incorporating integrated approaches (Emergency Management Victoria, 2019; KPMG, 2017). Housing becomes the central point of the recovery discussion (Comerio, 2014) as communities may deteriorate and decline due to abandoned buildings and the workforce has no place to live (Hazard Reduction and Recovery Center, 2015).

#### ***4.2 Influences: More Than Just Profit***

Market housing shortages and rebuilding are a result of complex relationships that include historical, social, economic, and environmental influences. According to one developer within the case study region, simplifying the issue to a basic equation of “costs plus regulations equals lack of affordability” fails to address the numerous variables involved. There are a number of influences that impact housing. These influences include increased severity and rates of disaster events, wages not keeping up with inflation, labour and supply chain issues, and the history of a resource extraction economy and the associated boom-bust cycles.

Some of these influences exist within the RDKB region but many are drivers from global factors and can be traced to shifts in the global economy and political realms (Careless, 2020) or the increasing impacts of climate change on disaster events (British Columbia Association of Emergency Planners, 2021; Green & Alila, 2012; Wehner et al., 2017). Social norms put the onus of responsibility on the individual as the sole driver of their housing situation without recognizing systemic issues that prevent people from having access to safe and secure housing (Leviton-Reid & Parker, 2018). Social norms also include the socio-cultural emphasis on home and land ownership as a primary goal for building personal wealth (Careless, 2020; Gkartzios & Ziebarth, 2016), which drives local demand for single-detached homes. The incongruence of Inflation rates and wage increases are also factors that are outside the control of the individual (Kershaw & Eaves, 2019).

In decades past, the federal government was actively involved in housing. In 1946, the CMHC was created for housing returning veterans after the second World War (Canadian Mortgage and Housing Corporation, 2014). Between 1973 and 1992, the federal government incentivized over 200,000 units of housing, including market-priced rentals (Leviton-Reid & Parker, 2018). Exploring these broader issues was beyond the scope of this research but it is worth noting that senior orders of government can—and historically have—played a significant role in addressing housing needs (Careless, 2020).

In the RDKB, the economy has been an important influence on housing affordability. The boom-and-bust cycles associated with resource extraction (Gkartzios & Ziebarth, 2016) have resulted in an aged, poor quality housing stock and was not built for longevity (CitySpaces Consulting, 2020). Newcomers to the community are hesitant to purchase older homes that need major repairs or energy upgrades, even with available rebates to assist with those costs. Regional developers

noted that not only are these additional costs driving the demand for new, single-detached builds and diminishing easily developable lots for rental units, but the aged housing results in higher maintenance costs and higher energy to the tenant through direct bills or increased rents passed on by the landlord. Other regional stakeholders noted that aged housing also is more susceptible to greater damage from disaster events due to structural concerns and/or lower standards of preventative methods incorporated into the original design.

Other influences that impact rural housing developments include transportation. For seniors, or those without reliable vehicle access, successful developments need to occur in areas that have high walkability—approximately 5 minutes—to amenities (Brown & Teixeira, 2015), such as grocery, health care, post offices, and shopping. Limited transportation was also seen as an affordability factor that can increase costs and access on materials and labour for new developments. Regional developers observed that a general labour supply shortage, both in skilled and unskilled labour force, can create delays in construction, further driving up costs.

### **4.3 Development Barriers**

Barriers to development refer specifically to issues that are negatively affecting the development of new housing. Local government and staff can encourage or inhibit development based on (a) policies, (b) processes, (c) strategies, (d) staffing, and I political will. Within a municipality or regional district, the planner has been described as a keystone to the process of development (Vancouver City Planning Commission et al., 2006). At the same time, private sector developers base their decisions on bottom lines and will not build without a reasonable likelihood of profit. To encourage builders and developers to create more market housing stock, barriers to profitability need to be mitigated or reduced. One developer highlighted that the North American cultural phenomenon of owning a single-detached house, colloquially known as *white picket fence syndrome*, also affects profitability. Developers observed that, driven by profit and margins, builders are responding to consumer demands for a larger, single-detached housing dream, replacing housing as a shelter to one as a commodity, something also reflected in the literature (e.g., Gkartzios & Ziebarth, 2016).

In rural areas, profitability is exacerbated by lower population densities and absorption rates, both of which limit economies of scale and turnover time for sales (or rentals). Development cost charges (BC Housing Research Centre, 2017) and lack of land are well known challenges to development in rural communities. However, anecdotes from regional developers as well as the literature (e.g., Federation of Canadian Municipalities, 2018) point to an overall lack of *serviced* land that constitutes a major barrier to development. The costs to bring sewer or water are greater in rural areas due to the greater distances and lower density. In areas outside of an incorporated community or on septic, regional developers observed that densification is complicated due to capacity restrictions and cost of upgrading. These costs may create an insurmountable barrier to the local, small-scale builder: in rural areas, the small builder may act as a developer but there is a lack of the ‘true’ developer in the traditional sense seen in urban centres. Developers noted that small-scale builders cannot carry the financial risk associated with larger developments, and the return on investment is generally not large enough or not fast enough to attract a larger developer from outside the local area.

Overlapping jurisdictions demand coordinated and multi-jurisdictional approaches (Organization for Economic Co-operation and Development, 2020). A development may require coordination between a combination of (a) incorporated municipalities, (b) electoral areas, (c) regional districts, (d) Ministry of Transportation—highways, (e) agricultural land reserves, (f) health codes, (g) fire codes, (h) Crown land, (i) local zoning, and (j) First Nations communities. These overlaps may impact development in two broad ways. The first is contradictory policies and strategies (Phillips, 2020). The second is the need for greater collaboration between multiple levels and jurisdictions of government (Rural Housing Policy Review, n.d.; Organization for Economic Co-operation and Development, 2020), coordination that is typically not required in an urban centre where there is one jurisdiction to deal with all inquiries. Limited resources in rural communities can exacerbate these navigational issues and general ability to take direct actions (Federation of Canadian Municipalities, 2018): it is not uncommon for a rural community—incorporated or unincorporated—to not have a planner on staff. Some developers expressed the perspective that the lack of clear points of contact and the absence of clear communication pathways discourages interest and sends the signal that development is not a priority.

Limited resources in rural communities also impact data collection—or lack thereof. CMHC's *rental market survey* does not collect data for smaller communities and the secondary rental market is often overlooked (Leviton-Reid et al., 2019). This lack of data can hide true rates of homelessness or near homelessness as individuals and families live in buildings not purposed for human dwellings (e.g., barns or sheds) (Gkartzios & Ziebarth, 2016) or in other substandard conditions, such as a mattress on the floor with their child (Farooqui, 2020).

Despite rural areas having higher poverty rates, government assistance projects are least likely to occur in rural communities (Gkartzios & Ziebarth, 2016). In BC, the housing crisis has been recognized as 'acute' (Fumano, 2020) but as of September 2020, only 0.5% of the National Housing Strategy funds had been approved for the province (Fumano, 2020).

It is also worth acknowledging that COVID-19 has impacted housing, but the final impacts remain uncertain. At the time of research, BC renters have been harder hit than homeowners with a greater share of income loss experienced (Hemingway et al., 2020). In rural communities, housing pressure is being reported and attributed to urban migration into small towns. This may increase the competition and make it more challenging for those with lower-to-moderate incomes to enter or stay in the market due to higher prices or a shift to developments that target higher-end or luxury homes and condos (Gold, 2020). Prior to COVID-19, urban out-migration to rural areas was impacting housing costs and availability. With comparatively lower housing costs to urban centres, out-migration has stressed rural housing markets through both primary residence purchases and secondary or vacation home buys. Those in low-to-moderate income brackets are living in older homes, mobile dwellings, or rental housing. In comparison, high-income households are living in new, large homes with mountain views, waterfront access, or large acreages (CitySpaces Consulting, 2020). COVID-19 has been accelerating this drive (Weeden, 2020) and increasing housing costs and competition, exacerbating socio-economic gaps (CitySpaces Consulting, 2020). Power relations within development decisions skew to those in high-income brackets, supporting development of those larger, desirable homes (Gkartzios & Ziebarth, 2016).

#### 4.4 Noteworthy Rural Practices

One of the lines of inquiry of importance to the RDKB was to better understand how local governments can encourage housing development, while simultaneously recognizing the integrated impacts of disaster events and economic development on housing stock. Responding to this included identifying best practices from the literature generally, as well as from specific rural housing development examples.

With limited research on rural-specific housing, existing examples of rural housing developments within the literature provided an opportunity to explore beyond the developer-builder focus of the single-detached home and diversify the existing housing stock. Six existing examples were identified through the literature review and in conversation with the RDKB that provided transferable lessons to the case study region. The examples were selected based on their targeted demographic, the similarity to RDKB population, and proximity to the local area. Of the six, three had been seen to completion and were operational, two were in planning stages, and one had failed. Table 1 summarizes the housing examples.

Table 1. *Existing Examples of Housing Developments Chosen*

	<b>Project</b>	<b>Location</b>	<b>Model</b>	<b>Target Demographic</b>
<b>Completed</b>	Catherine Gardens	Vernon	Life lease	Seniors: active and independent
	Sunkatchers	Keremeos	Cooperative	Seniors: seasonal travellers (i.e., Snowbirds)
	Veneto Place	Fernie	Mixed-use	Below-market rental and ownership
<b>Planning</b>	Mountain Village	Sea-to-Sky	Co-housing	Multi-generational and mixed income
	Former Beaver Valley Middle School	Fruitvale	Mixed-use	Rental: accessible and low income Ownership: young families and seniors
	<b>Failed</b>	Grandview Heights	Castlegar	Cooperative

Three common categories emerged amongst these examples. Table 2 notes the common categories and a description of the property.

Table 1. *Common Categories and Their Properties*

<b>Category</b>	<b>Property</b>
Non-profit model	Projects are managed by non-profit organizations, which facilitated lower initial capital costs (e.g., land donation) and/or lower operating costs (e.g., volunteer labour).
Relationships	Projects had a strong network of relationships that spanned from local government to key individuals with access to equity or cash to local businesses that wanted the development in the community.
Demonstrated need	A clear and demonstrated need existed prior to construction.

As noted in the methods section, most of the literature reviewed focused on urban centres where best practices are supported by population densities and economies of scale. Solutions to increasing the housing stock will vary by community and need to consider both the supply side (the builders) and the demand side (the residents). Combining the recognized best practices with rural considerations and merging with the common categories from the case studies, five noteworthy rural practices were identified (see Table 3).

Table 2. *Noteworthy Rural Practices*

<b>Noteworthy Practice</b>	<b>About</b>
Partnerships and collaboration	Successful models relied on partnerships to reduce costs
Prioritized housing and strategies	Explicit housing policies and strategies leads to improved communications and increased creativity
Local data	Collection and publication of local data provides clear and relevant information about land and demographics
Clear and streamlined process	Having clear communications and expectations

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Noteworthy Practice	About
Creative and flexible	Support staff to try new ideas “Let the planners get reckless” (Vancouver City Planning Commission et al., 2006, p.11)

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Underlining the above is the need to address housing from an integrated and interdisciplinary approach (Whitelaw & Barrs, 2016). This means housing, including market housing, should consider the various contextual factors that are influencing a lack of housing supply (Howse et al., 2021b). This also means considering mixed-use and intergenerational styles of housing. While the CMHC’s *housing spectrum* is an oft-used model of housing, it assumes that people move in a linear progression along the spectrum and emphasizes homeownership, potentially driving the demand-side dream of single-detached dwellings. In comparison, the *wheelhouse model* is a systems-based approach that considers the social, economic, and environmental aspects of housing, which is particularly relevant for rural areas where population base can limit profit (Elver, 2019). This includes the recognition that people do not always progress in a linear manner towards home ownership as a final goal and may encounter and move between various forms of housing.

## 5.0 Emerging Themes of Rural Housing

Based on triangulation of the different data sources and an analysis of the above findings, five overarching and interrelated themes emerged that are impacting rural housing needs: (a) aged housing stock, (b) homogenous supply of housing type, (c) limited or no rental vacancy, (d) nexus of control, and (e) limited data for rural communities consistently recurred as barriers to housing supply. Each of these five themes are described further below.

### 5.1 Aged Housing Stock

While the impacts differed, aged housing was seen as a factor related to different aspects of housing. Aged housing was seen as (a) a demonstration of a lack of profit for a business case due to no history of new developments, (b) a deterrent for new workforce members to move to the area, (c) a barrier to cost—both rentals and ownership—with energy retrofit upgrades required and/or a high-level of maintenance for aging demographics, and (d) impacting disaster recovery due to cost of replacement being higher as the housing was more susceptible to greater destruction.

### 5.2 Homogenous Supply

The high proportion of single-family dwellings in the area means there is a lack of options for households, from families with children to seniors to singles. Although most easily recognized with households that are seeking to move to the community or attempting to downsize into a new space, the lack of options was also seen as a factor and deterrent post-disaster as people seek to find temporary accommodations.

### **5.3 Limited Rental Housing**

Across the region, a zero percent or near zero percent rental market was reported. Lack of rentals are an issue across demographics and socio-economic status and can contribute to unsafe living environments. Due to the aged housing stock, retrofitting or converting single-family dwellings often becomes unaffordable and unfeasible for a landlord or builder and can result in a tear down and redevelopment to a new, single-family dwelling. No rental developments have contributed to workforce attraction issues and have also contributed to households moving out of a community post-disaster as no suitable accommodations could be found.

### **5.4 Nexus of Control**

The housing crisis is complex and influenced by many factors. Addressing the housing crisis in rural communities requires joint discussion and collaboration between governments. For example, if a federal program is created to support necessary infrastructure upgrades targeted for a rental densification project, local government must have the necessary policies, strategies, and priorities in place to carry out the project. Similarly, global influences of insurance may impede creative solutions. Within the context of disaster recovery housing, while there are steps that can be taken by local households and governments, ultimately, a local community has limited control on when a disaster will strike.

### **5.5 Limited Data**

All rural communities face data limitations and challenges. For market-driven developments, builders and developers require quantitative data to make their business case. For many government-funded programs, data is required to prove the necessity of need. While data collection from traditional public sources has improved in recent years for rural areas (e.g., Statistics Canada; CMHC), there remains a gap in quality and availability. Data collection in general—quantitative or qualitative—is time consuming and costly. To provide efficiencies, communities may work together but the trade-off is more generalized and less focused research, such as the case for this research project.

## **6.0 Summary and Implications**

The focus of this case study was to summarize the responses to specific questions posed by the RDKB related to rural housing, including identification of successful models of rural market housing development, and the identification of challenges and barriers to the development of market housing. In summarizing and sharing the results, we aimed to provide ideas and lessons learned for other rural jurisdictions in Canada.

While the focus of the research was on the case study region, this region shares two basic characteristics of rural with other regions—large distances and low density (Reimer and Bollman, 2010). While these characteristics are insufficient to guarantee transferability across the breadth of unique rural contexts across Canada, that the five emergent themes share commonalities with broader rural challenges—in particular questions of the nexus of control, as well as limited data (Canadian Rural Revitalization Foundation, 2019; 2021)—suggest potential transferability.

As rural communities face an increasing housing crisis, this research offers input into rural specific housing discussions and next steps. In the immediate short term, the implications of this research directly inform local government policies around

the need for staffing and resource allocation specific to housing, as well as increasing communication and collaboration amongst jurisdictions and offices, and identifying and prioritizing housing policies and strategies. Leadership is also required at the local level to explore and test different approaches—shifting from the traditional homogenous supply to providing a spectrum of housing options within the community. As rural communities collectively grapple with these challenges there is the opportunity to learn from other places and to share local lessons in turn.

More broadly, supports and leadership from upper-level governments are required for addressing limited data, infrastructure costs, and regional coordination. Data and information limitations pose challenges for the creation and utility of studies like BC's Housing Needs Reports. For these upper levels of government—provincial, territorial, and federal—the immediate implications include increasing supports for local governments to address cost factors (e.g., infrastructure upgrades), improving data collection in rural communities, and increasing other housing related supports, such as energy upgrades. The limited available literature specific to housing in rural Canada suggest potential gaps in knowledge in upper levels of government when they are designing and implementing housing related programs and policies (e.g., new housing programs, addressing secondary–vacation home ownership, financing models). Ensuring that housing programs and policy are appropriate for the range of rural contexts is critical.

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