



# Village of Salmo Housing Needs Report Update

REGIONAL DISTRICT OF CENTRAL KOOTENAY  
COMMUNITY PROFILES

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**DECEMBER 2024**



## Acknowledgments

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

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

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## Executive Summary

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

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

### KEY FINDINGS

#### The Population of Salmo is Growing and Changing

- Salmo's total population remained about the same between 2016 and 2021 (1,170 people). During this same time period, total households grew by 3%. Unlike recent trends, the community is anticipated to experience significant growth over the next two decades.
- Projections expect there to be about 1,510 residents in the Village of Salmo by 2041, an increase of 29% from 1,170 people in 2021.
- Growth has historically been, and is expected to continue to be, greatest among senior residents. Projections also anticipate considerable growth among 45- to 64-year-olds over the next 20 years.

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

- The median home sale price rose 62% between 2019 and 2022. The median single-detached house sold for about \$625,000 in Salmo in 2022.
- Between 2012 to 2016, couple households were the only defined household type to be able to reasonably afford the median house sale price in Salmo given the increased likelihood of having a dual income. Notably, the gap between the median house price and the affordable threshold for the median household was approximately \$149,200 in 2016. The gap widened to \$454,400 by 2022.
- Homeownership attainability data highlights the notable disparity between growth in prices and growth in estimated incomes, leading to reduced purchasing power for shelter for most households in the community. Without significant external support or existing equity, homeownership is out of reach for most residents in the community.

#### Residents in Salmo are Facing Affordability Challenges

- In 2021, 20% of households in Salmo lived in an unaffordable home, a large percentage relative to other neighbouring communities in the RDCK and across BC.
- Renter households are more severely affected by unaffordability challenges. Forty four percent of Salmo renters were in an unaffordable home and 19% were in Core Housing Need. This is largely related to a high number of single income earners living in rental households.

- About 20% of households in Salmo (115 households) earn a “very low income” or “low income.” These households can afford at most a monthly mortgage or rent of \$515. Many of these households may already own their home or are eligible for shelter assistance, so they may be able to afford more than is otherwise identified. However, this income group has higher susceptibility to sudden changes in costs (whether it is a repair or increase in rent).
- Recent years of high inflation have brought household expenses to the forefront – namely, the rising cost of energy. Alongside increasing mortgage and rent payments, concurrently rising energy costs are pushing more households in Salmo into “energy poverty.” Other rising costs of living, including food and gasoline, are also making it challenging for residents to affordably live and save.

### **Demand is Expected to Increase over the Next 20 Years**

- Over the next two decades, provincial projections suggest Salmo may need to add 323 new homes across the housing spectrum to mitigate increased market imbalances, account for anticipated new demand, and address existing housing deficits. Rental demand projections suggest an estimated 52% of new rental units would need to be affordable or offered at a below-market price to best meet the needs of Salmo residents.
- Much of the demand will be influenced by population growth. Growth is largely driven by factors outside of local government control including economic opportunities, available services, infrastructure, transportation, natural disasters, federal and provincial policy, and education opportunities.
- Migration to Salmo is largely from other areas of British Columbia, including adjacent communities. Preparing for growth and addressing demand is not just about accommodating new people – it is about preserving and deepening affordability so current residents across all age demographics in Salmo can stay and thrive in their community.

## Interim Report Requirements

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

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

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

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

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

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

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

Description	5-year	20-year
Total demand from 2021 base year	125	323
Estimated total demand from current year (2024)	157	349

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

### KEY AREAS OF LOCAL NEED

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

**Table 0-2: Key areas of local need**

Need	Description
Affordable housing	<p>Affordability remains the greatest contributor to Core Housing Need in the Village of Salmo, with approximately 20% of local households spending more than 30% of their total income on shelter in 2021. Since then, the gap between income purchasing power and actual house prices has widened, indicating that homeownership is further out of reach for most residents in Salmo than it was three years ago.</p> <p>Individuals or families with one income are struggling the most to find affordable housing options in the community, whether to rent or own. Approximately 20% of households in Salmo earned a “very low” or “low” income (see Section 3.3.2 for income categorization information). While many in these categories may already be shelter-secure (e.g., retired households with fully paid-off mortgages), this percentage represents a significant portion of the population that may be especially vulnerable to affordability challenges.</p> <p>Projections anticipate at least 105 subsidized affordable housing units and 219 additional market units will be needed by 2041 to meet demand and begin to balance prices.</p>

Need	Description
Rental housing	<p>Homeownership is becoming increasingly unaffordable for the typical household in Salmo, forcing many who would prefer to own a home to rent instead. Although the cost of renting is also increasing, it often remains the more cost-effective option between the two tenures.</p> <p>Local data shows trends opposite of the above, with the share of renter-occupied dwellings decreasing from 33% to 29% between 2016 and 2021. However, broader vacancy trends in the RDCK’s urban areas and across BC suggest that this local data trend may shift. As rental vacancy rates continue to decrease, there is a clear rise in demand for rental housing relative to available supply. Although vacancy rates typically reflect purpose-built rentals in urban areas, a declining vacancy rate in these markets forces households to seek alternatives in lower-density markets where there is better availability and prices. This leads to increased demand overall.</p> <p>Although there is limited data available on the rental market in smaller communities within the RDCK, engagement with elected officials and community organizations/ groups confirmed that vacancy rates remain well below the 3-5% healthy vacancy rate. Residents have reported having an extremely difficult time finding affordable, suitable rental options to meet their needs.</p> <p>Projection calculations support the data trends, anticipating a continued increase in rental housing demand, with approximately 41% of all projected dwellings expected to be rental units in 2041.</p>
Special needs housing	<p>Although data on waitlists and core housing need is not specific to community members with special needs, national disability statistics show that overall rates of disability increased from 22.3% to 27.0%<sup>1</sup> between 2017 and 2022 surveys. Much of this increase is attributed to the growth of the senior population. As the population in Salmo ages, projections expect the need for more accessible and specialized housing to increase.</p> <p>Increases were also observed among youth and working-age adults, with significant rises in mental health, learning, and developmental challenges. This indicates a broad need for improved access to supportive housing options that cater to various specific support needs and age demographics.</p>

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



Need	Description
Housing for seniors	<p>According to BC projections, Salmo can expect that senior-led households will continue to grow over the next two decades. By 2041, senior-led households may increase by 62% and could comprise 49% of total households.</p> <p>In 2022, the Canadian disability rate among the senior population was 40%, an increase of three percentage points since the last survey in 2017. A significant portion of this rate is related to mobility issues, and the likelihood of disability that increases with age.</p> <p>Given the anticipated growth in senior households and the elevated disability rate within this group, increased senior housing interventions are necessary. These could include ensuring senior housing and facilities are widely permitted locally, further modifying building standards to support aging in place, and/or developing and improving existing senior services and programs.</p> <p>While many solutions fall outside the direct influence of local government, there may be opportunities to partner with other levels of government and local or regional organizations to encourage appropriate seniors housing.</p>
Housing for families	<p>Projections suggest that young family households may decline over the next two decades, with senior-led households comprising a larger share of total households. Consequently, the demand for family-specific dwellings (e.g., those with more bedrooms or larger floor areas) may be marginal.</p> <p>However, projections are inherently imperfect and should not be viewed as absolute. Young families are vital for sustaining local employment and productivity. Affordable options with multiple bedrooms are key to meeting the needs of families, especially lone parent households who often need non-market options to ensure appropriate affordability. Families may also be served by interventions in other areas of the housing spectrum, for example by additional seniors housing that helps reintegrate larger homes back into the market.</p>
Shelters to address homelessness	<p>While shelters are often located in larger urban communities, homelessness is not confined to these areas. National and provincial trends show that overall homelessness is on the rise, with hidden homelessness likely increasing, particularly in small urban and rural areas.</p> <p>About 2% of regional households were identified as earning "very low" incomes. These individuals are the most vulnerable to changes in their housing circumstances and are the most likely to require emergency housing interventions.</p> <p>Addressing homelessness locally is ideal, as it allows residents to remain within their community. However, doing so can be challenging without provincial or federal support. Salmo should stay engaged in regional homelessness strategies to help coordinate and determine the allocation of emergency housing services and programs.</p>

Need	Description
Proximity to transportation	<p>The Village of Salmo recognizes that effective and efficient local transit options near where residents live is important for community members to access jobs, basic amenities, recreational activities, health and wellness supports, and family and friends, among others, both within the Village and neighboring communities.</p> <p>The Village of Salmo Official Community Plan's (OCP)<sup>2</sup> transportation objectives are outlined below:</p> <ul style="list-style-type: none"> <li>• Work with the RDCK and BC Transit and other partners to improve public transit services between Salmo and other communities within the region and on greater connectivity access across Canada;</li> <li>• Improve active transportation infrastructure to encourage walking and cycling within and around the Village; and</li> <li>• Develop and implement a long-term plan for the current and future EV charging stations in Salmo, including the eventual needs of electric trucks and buses</li> </ul> <p>The Village understands the need to locate future housing development near transportation infrastructure to promote more sustainable living options for residents. Providing housing options that are close to transportation infrastructure that supports walking, cycling, and transit not only enhances quality of life by providing convenient and affordable mobility options for all ages, abilities, and budgets, but contributes significantly to reducing the Village's carbon footprint.</p>

<sup>2</sup> Village of Salmo Official Community Plan – Bylaw No. 687, 2020, Transportation, pg. 59.

LOOKING BACK

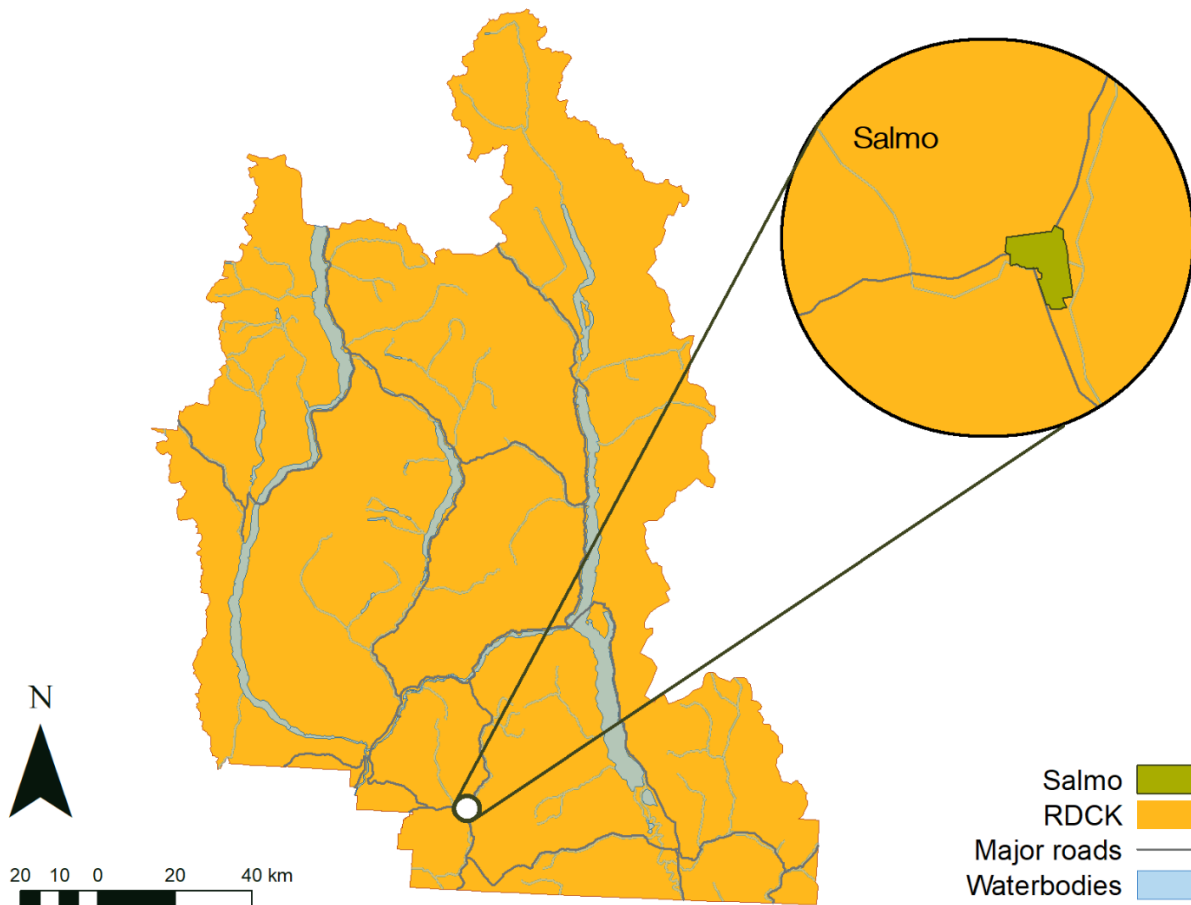
Table 0-3: Actions taken by the Village of Salmo to reduce housing need since the last HNR

General Housing Actions	
Date	Description of Action or Policy
April 2024	<p>Salmo adopted the Development Applications Procedures Bylaw No. 753 in the Spring of 2024. The Bylaw establish procedures and fees in relation to the following:</p> <ul style="list-style-type: none"> <li>• An Amendment to the Official Community Plan and/or Zoning Bylaw.</li> <li>• A Development Permit.</li> <li>• A Development Variance Permit.</li> <li>• A Temporary Use Permit.</li> </ul> <p>This bylaw is intended to add clarity and consistency to the development process in Salmo.</p>
Zoning Amendments	
Date	Description of Action or Policy
May 2024	<p>Zoning Bylaw Amendment (Small-Scale Multi-Unit Housing) Bylaw No. 754, 2024 was enacted to amend Zoning Bylaw 489 to comply with Bill 44. This bill requires all municipalities to update their zoning bylaws by June 2024 to allow for a minimum of one secondary suite and/or accessory dwelling units on lots in single detached residential zones.</p>
Rezoning Applications Approved	
Date	Description of Action or Policy
August 2024	<p>Zoning Bylaw Amendment (ADU – 740 Davies Avenue) Bylaw No. 757, 2024 was enacted to allow for a site-specific exemption in the R1 zone to permit the conversion of a detached garage into an accessory dwelling unit.</p>

# 1. Introduction

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

Figure 1-1: Location Map



Source: BC Geo Warehouse, Statistics Canada

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

### 1.1 DATA SOURCES

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

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

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

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

#### 1.1.1 Data Limitations

##### **BC Assessment**

###### **Grouped Information**

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

##### **British Columbia Statistics**

###### **Urban Focus**

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

##### **Canada Mortgage & Housing Corporation (CMHC)**

###### **Reporting Landscape**

CMHC conducts its Rental Market Survey (RMS) every year in October to estimate the relative strengths in the rental market. The survey collects samples of market rent levels, turnover, and vacancy unit data for all

sampled structures. The survey only applies to **primary rental markets**, which are those urban areas with populations of 10,000 and more. The survey targets only privately initiated rental structures with at least three rental units, which have been on the market for at least three months. In the RDCK, CMHC only collects rental data for the City of Nelson.

### Statistics Canada

#### Area and Data Suppression

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

#### Random Rounding

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

### UBC Housing Assessment Resource Tools (HART)

#### Sourced from Statistics Canada

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

## 1.2 ENGAGEMENT

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

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

## 2. Community Profile

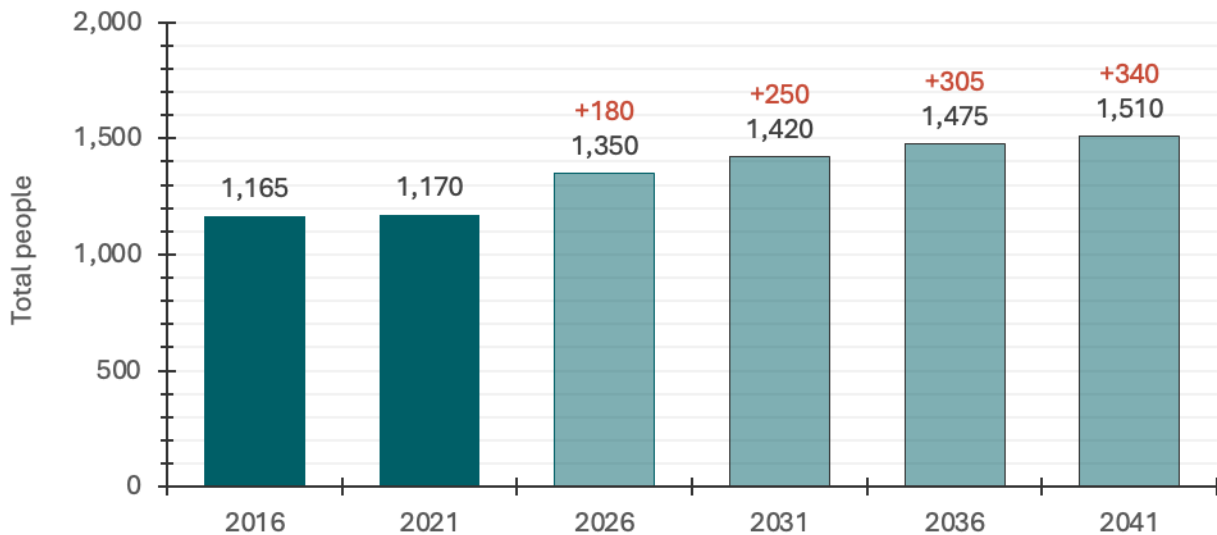
### 2.1 POPULATION

#### 2.1.1 Historical & anticipated population

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

Government of British Columbia estimates show that the Village of Salmo grew marginally from 2016 to 2021.<sup>3</sup> Figure 2-1 illustrates the changing total population from 2016 and 2021 (BC estimates for Census years) and to 2026 and 2041 (BC Government projections).

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



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

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

<sup>3</sup> Note that Statistics Canada’s 2021 Census also reports approximately no change in the Village of Salmo’s population. The totals from which the increases are calculated differ between sources. BC estimates are adjusted to account for possible undercounting during the Census’ enumeration.

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

	Total	0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+
<b>Historical population</b>							
<b>2016</b> population	1,165	175	105	235	360	260	35
<b>2021</b> population	1,170	160	75	300	325	280	35
% change ('16-'21)	+0%	-9%	-29%	+28%	-10%	+8%	+0%
<b>Anticipated population</b>							
<b>2026</b> population	1,350	145	115	330	370	340	45
% change ('21-'26)	+15%	-9%	+53%	+10%	+14%	+21%	+29%
<b>2041</b> population	1,510	165	130	240	465	425	80
% change ('26-'41)	+12%	+14%	+13%	-27%	+26%	+25%	+78%
% change ('21-'41)	+29%	+3%	+73%	-20%	+43%	+52%	+129%

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

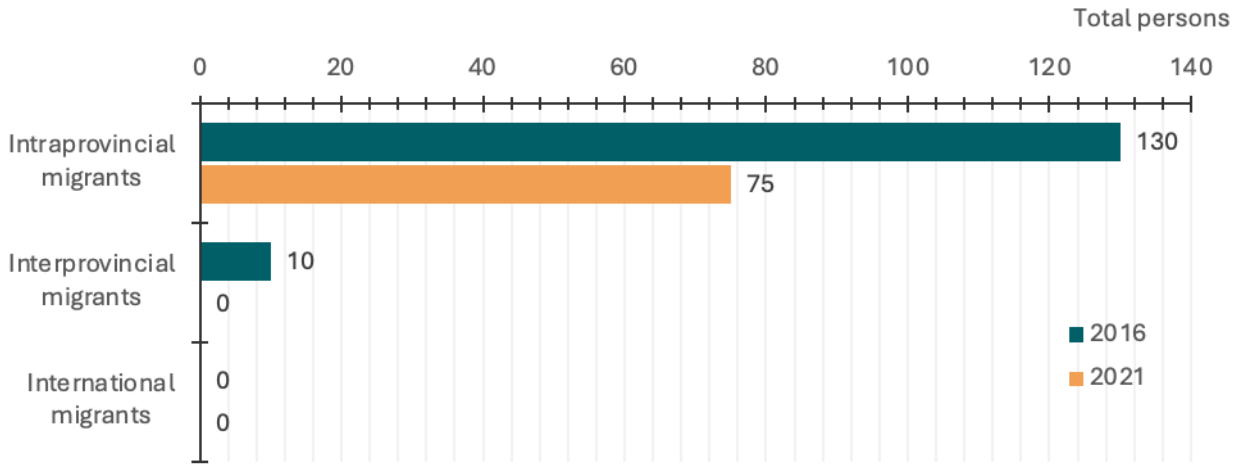
- The province estimates that Salmo's population was 1,170 people in 2021, up marginally from 1,165 in 2016.
- Growth largely occurred among adults aged 25 to 44 and seniors aged 65 to 84. Across this same time period, youth (0 to 14), young adults (15 to 24), and older working age adults (45 to 64) decreased.
- The total population may grow 29% over the next two decades, potentially reaching about 1,510 people in 2041 according to BC government calculations. Most age groups will likely contribute to growth, with a considerable rise among older seniors (85+).
- About 340 additional people may call Salmo home by 2041.

### 2.1.2 Recent mobility trends

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



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



Source: BC Government purchased Custom Statistics Canada Census Tabulations

- People moving from other areas of British Columbia (including adjacent communities) are the largest source of incoming migrants, a trend consistent across both the 2016 and 2021 Censuses.
- International or out-of-province in-migrants do not typically make up a considerable portion of incoming individuals / households.

## 2.2 HOUSEHOLDS

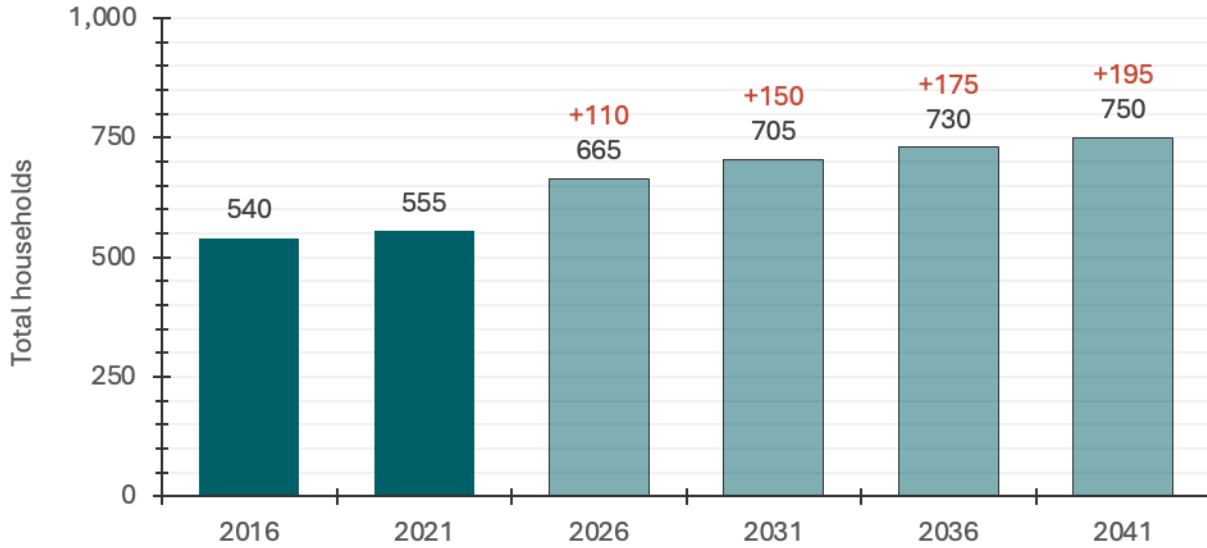
Statistics Canada defines a household as a person or group of persons sharing the same dwelling without another usual residence. A household is the highest-level descriptor of many unique living situations. Households are often categorized in this report by the primary household maintainer’s age, which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

### 2.2.1 Historical & Anticipated Households

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

Figure 2-3 illustrates Salmo’s estimated total households and the anticipated 20-year net growth in households.

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



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

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

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

	Total	15 to 24	25 to 44	45 to 64	65 to 84	85+
Historical households by primary maintainer age						
<b>2016</b> households	540	15	105	205	195	25
<b>2021</b> households	555	10	145	190	205	20
% change ('16-'21)	+3%	-33%	+38%	-7%	+5%	-20%
Anticipated households by primary maintainer age						
<b>2026</b> households	665	15	155	215	250	30
% change ('21-'26)	+20%	+50%	+7%	+13%	+22%	+50%
<b>2041</b> households	750	20	110	265	305	55
% change ('26-'41)	+13%	+33%	-29%	+23%	+22%	+83%
% change ('21-'41)	+35%	+100%	-24%	+39%	+49%	+175%

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

- The province estimates that Salmo had 555 households in 2021, up 3% from 540 in 2016. Increases occurred mostly among 25- to 44- and 65- to 84-year old led households. Note that these estimates are not the same as reported by the Census in 2016 and 2021, which depicted a decrease instead (and are described in the next section). Detailed Census data comes from a custom Census dataset, purchased by the province from Statistics Canada. This data, used for breaking down community trends, is based on a 25% sample of the population. In contrast, this section's household data is from a separate provincial dataset, used here as it is an input for the province's prescribed unit demand calculations described later in the report.
- Total households may grow 35% between 2021 to 2041, reaching approximately 750. It is not uncommon for communities to have a higher rate of household growth than population growth. As a community ages, more people tend to live in smaller households (e.g. 1- or 2-person households rather than 3- or 4-person households.) This drives the average household size down and increases the number of households needed per capita.
- About 195 additional households may call Salmo home by 2041.

### 2.2.2 Additional Household Characteristics

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

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

2016 Census	Total	1 person	2 persons	3 persons	4 persons	5+ persons	Average HH size
Total households	580	245	190	65	55	15	2.0
Share of total	100%	43%	33%	11%	10%	3%	
Owner households	67%	63%	71%	58%	82%	100%	2.0
Renter households	33%	37%	29%	42%	18%	0%	1.9
2021 Census	Total	1 person	2 persons	3 persons	4 persons	5+ persons	Average HH size
Total households	565	255	170	60	45	30	2.0
Share of total	100%	46%	30%	11%	8%	5%	
Owner households	71%	56%	88%	69%	100%	71%	2.1
Renter households	29%	44%	12%	31%	0%	29%	1.7
% change ('16-'21)	-3%	+4%	-11%	-8%	-18%	+100%	

Source: BC Government purchased Custom Statistics Canada Census Tabulations

- While the province reports no change between 2016 and 2021, the Census indicates a decrease of 3% during the same period. Growth occurred only among 1 person and 5+ person households.

- Considerable growth between 2021 to 2023 (based on provincial numbers), particularly among 25- to 44-year old led households, suggests that there may be concurrent increases in the number of younger adult couples. This could mean more 2-person households during that period (or even 3 or more if they are families with children or extended family).
- In 2021, renter households accounted for 29% of all households in Salmo, down from 33% in 2016. Between 2016 and 2021, total renter households decreased by 20, while owners increased by 15.
- Rates of rentership were highest among 1-person households in 2021, a result largely attributed to single person households generally earning less income and having less financial capacity to secure homeownership.

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

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

2016 Census	Total	Census-family w/o children	Census-family w/ children	Non-census family*
Total households	580	165	145	250
Share of total	100%	28%	25%	43%
Owner households	67%	79%	62%	62%
Renter households	33%	21%	38%	38%
2021 Census	Total	Census-family w/o children	Census-family w/ children	Non-census family*
Total households	565	145	135	270
Share of total	100%	26%	24%	48%
Owner households	71%	90%	73%	59%
Renter households	29%	10%	27%	41%
% change ('16-'21)	-3%	-12%	-7%	+8%

Source: BC Government purchased Custom Statistics Canada Census Tabulations

- Non-census family households (i.e., single persons or roommate households) were the only household type to experience growth between 2016 and 2021, growing 8% over the five years.
- Couples (with or without children) declined between 2016 and 2021. However, recent growth among 25- to 44-year olds suggests that these categories may have increased since 2021, and could continue to increase over the next decade.

## 2.3 INCOME

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

### Key Definition

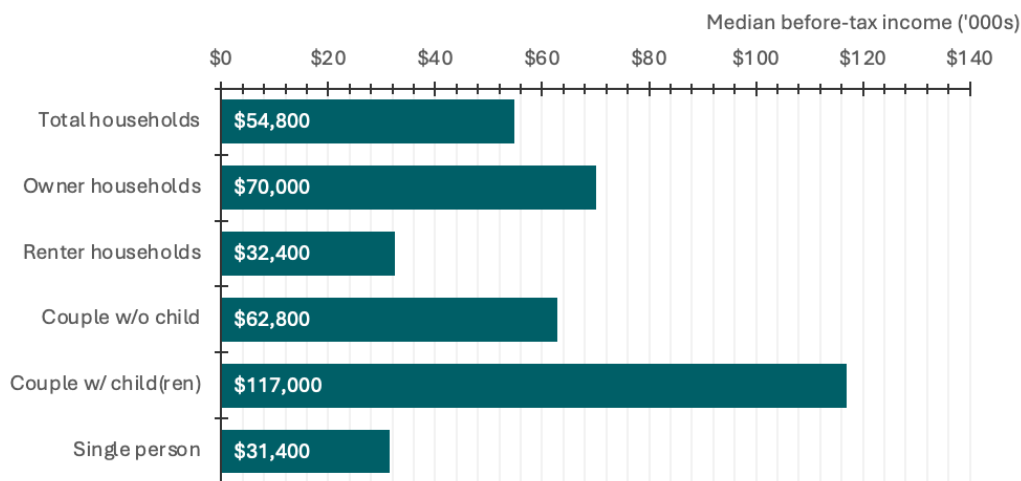
**Median before-tax household income:** the total income earned by a household before income taxes and other elements are deducted. Commonly used to determine housing affordability.

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

### 2.3.1 Median before-tax household incomes

Figure 2-4 illustrates the median before-tax household incomes by tenure and household family type.

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



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

- In 2021, the median household earned \$54,800 before-tax, up 18% from 2016 (\$46,621). As noted above, this sharp increase is likely attributed to COVID-19 relief payments.
- Couples with children had the highest median annual income (\$117,000), followed by couples without children (\$62,800), which would include households with one or multiple retirees. Two or more person households are more likely to have a higher household income than single earners due to the increased likelihood of having two or more incomes.
- Owner households, which report a higher average household size, reported a higher median income than renter households.

### 2.3.2 Income categories

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

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

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

**Table 2-5: Income category summary, 2021**

Income category	Annual household income	Affordable shelter cost	Estimated share of total households
Very low income	≤ \$10,960	< \$205	0%
Low income	\$10,961 to \$27,400	\$205 to \$515	20%
Moderate income	\$27,401 to \$43,840	\$515 to \$820	18%
Median income	\$43,841 to \$65,760	\$825 to \$1,235	17%
High income	\$65,761 +	\$1,235 +	42%

Source: UBC Housing Assessment Resource Tools (HART)

- In 2021, about 42% of households earned a “high income,” and could afford monthly mortgage payments or rent at a minimum of \$1,235.
- About 20% of households earn a “very low income” or “low income,” totalling about 115 households. These households can afford at most a monthly mortgage or rent of \$515. Many of these households may already own their home or are eligible for shelter assistance, so they may be able to afford more than is otherwise identified. However, this income group has higher susceptibility to sudden changes in costs (whether it is a repair or increase in rent).

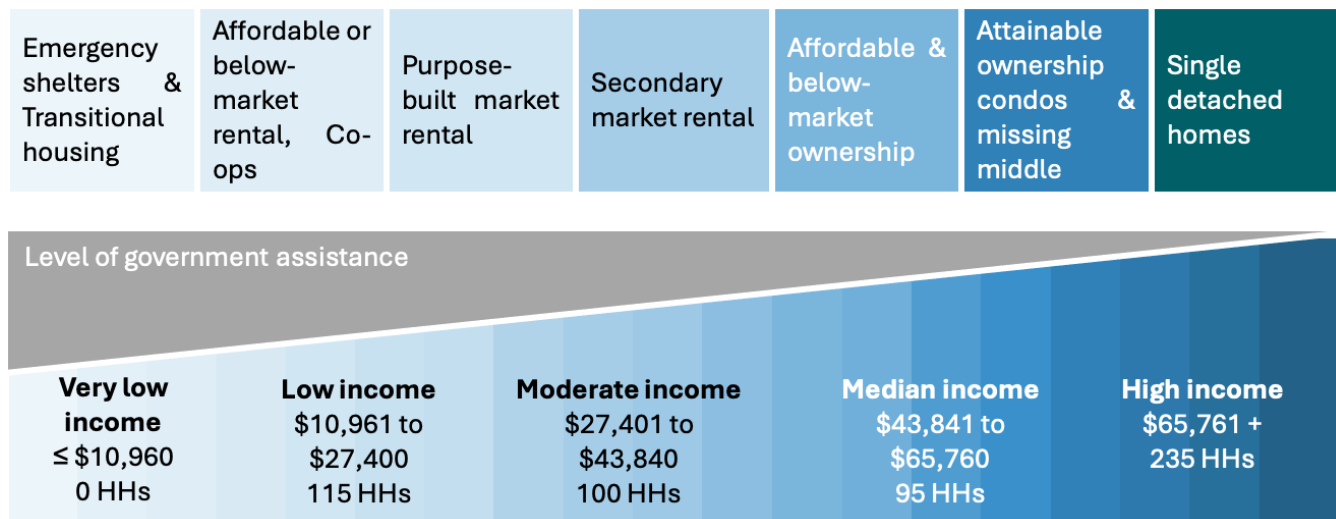
### 2.3.3 Income vs. Housing Continuum

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

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

Around 115 local households with very low to low incomes (earning less than or equal to \$27,400), often single individuals, are at higher risk of needing emergency housing services due to sudden personal, physical, or financial changes.

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



### 3. Housing Profile

The 2021 Census recorded 599 total dwellings in Salmo, of which 565 were occupied by usual residents. A usual resident is an owner or renter that lives in their dwelling more than half of the year, which qualifies the dwelling as their primary place of residence. Conversely, a non-usual resident occupied dwelling could include a recreational property, short-term rental, or unoccupied dwelling.

Given these numbers, it is estimated that about 5.5% of local dwellings may have been used for purposes other than permanent occupation. In 2016, this number was about 5.0%, a marginal change.

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

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

	Total	Single	Row	Semi	Duplex	Apt (<5 floors)	Apt (5+ floors)	Mobile
Total	565	400	40	10	0	65	0	50
Share	100%	71%	7%	2%	0%	12%	0%	9%
Owner	71%	91%	0%	0%	-	0%	-	80%
Renter	29%	9%	100%	100%	-	100%	-	20%

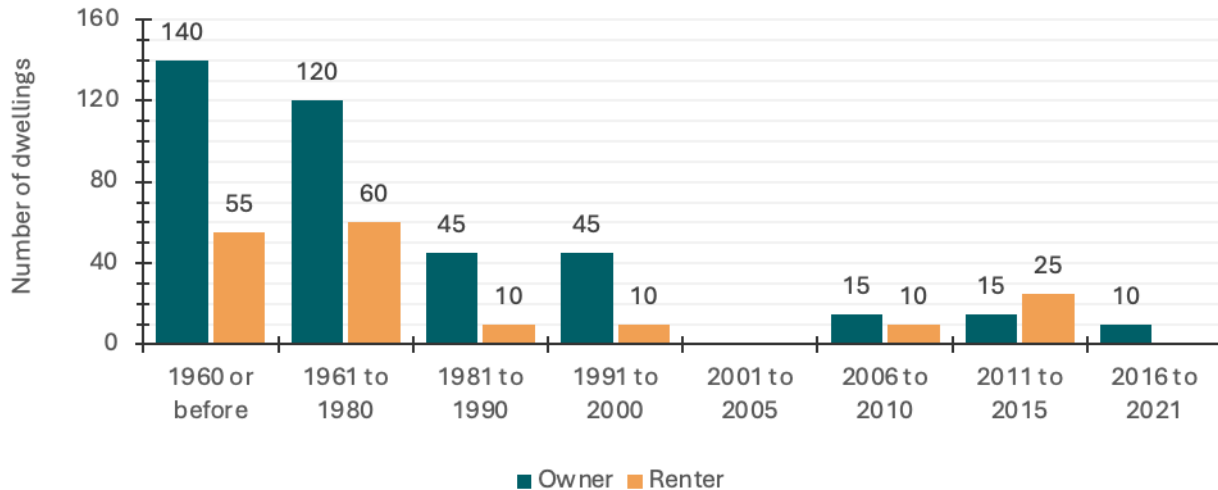
Source: BC Government purchased Custom Statistics Canada Census Tabulations

- Single-detached homes account for almost three-quarters of the housing supply (400 units), followed by apartments at 12% (65 units) and mobile dwellings at 9% (50).

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



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



Source: BC Government purchased Custom Statistics Canada Census Tabulations

- About two-thirds of local dwellings were built before the 1980s, a trend consistent for both owner and renter dwellings. Construction activity has yet to return to those levels. The period of highest annual change was between 2011 and 2015, with 45 units constructed during those years.

### 3.1 RECENT DWELLING PERMIT ACTIVITY

Historical permit data indicates that the Village of Salmo built 49 and demolished two units over the last ten years (mid-2015 to mid-2024). Among the units permitted, sixteen units were single family homes, two were secondary suites, two were duplex units, and one was a mobile home. The remaining 28 units were allocated for a supportive housing development. On average, Salmo permits five units annually, which is in line with the above Statistics Canada construction data by age.

### 3.2 PROPERTY OWNERSHIP

The Census identified that approximately 5.5% of dwellings were reported as not being occupied by a usual resident in 2021. While a useful number to quantify the relationship between permanently and non-permanently occupied dwellings, Statistics Canada does not offer much in terms of who owns these non-permanent dwellings. Despite the lack of detailed data, some initiatives from Statistics Canada – particularly the Canadian Housing Statistics Program – provide some insights into local property ownership.

#### Key Definitions

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

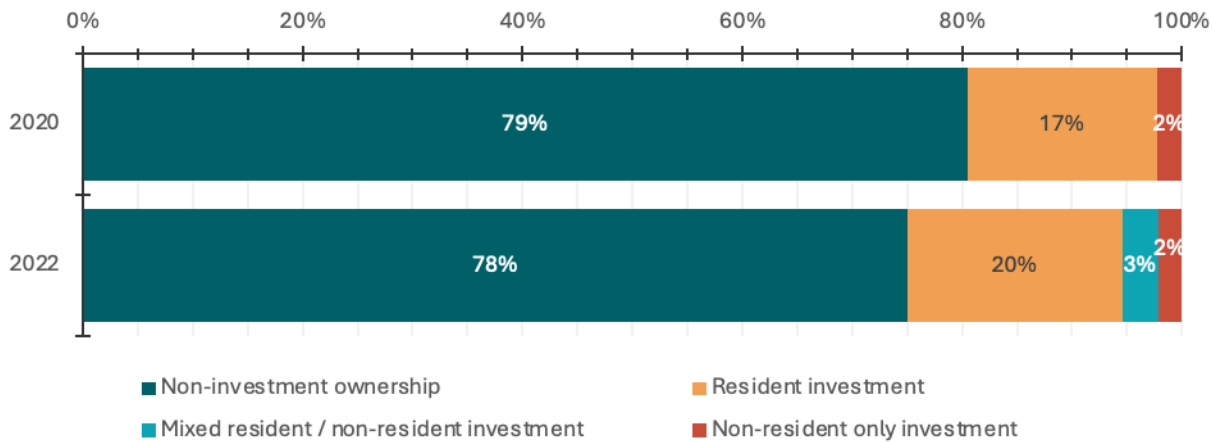
**Non-investment property:** A property owned and occupied by the owner.

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

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

Figure 3-2 illustrates how the distribution of improved residential property ownership (i.e., a property with a dwelling on it) has changed from 2020 to 2022; specifically; what share of properties are owned locally, by residents of Canada, and by non-residents of Canada. Note that values may not equal 100% due to rounding.

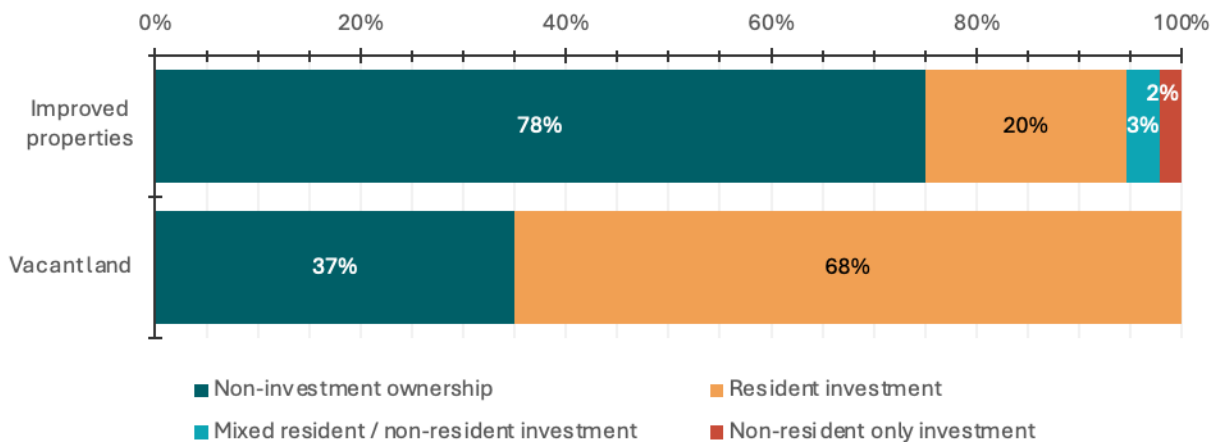
**Figure 3-2: Share of local residential improved properties by ownership type**



Source: Canadian Housing Statistics Program

Figure 3-3 illustrates how the distribution of ownership differs between an improved residential property and vacant land intended to be residential in 2022 (the most recent year collected). Note that values may not equal 100% due to rounding.

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



Source: Canadian Housing Statistics Program

- About 19% of properties with a dwelling were classified as “investments” by Statistics Canada in 2020. Included in this percentage are permanently occupied rental properties owned by someone who may or may not have lived locally.
- In the same year, about 2% of dwellings were owned entirely by someone who does not live in Canada full-time.
- By 2022, the share of non-resident participants grew from 2% to 5%. This growth was exclusively due to an increase among mixed ownership situations (i.e., combined ownership between resident and non-resident owners), potentially a result of owners living in Canada moving abroad.
- Concurrently, the share of resident investor owned residential property increased from 17% to 20%.
- Vacant properties intended for residential uses were majority owned by resident investors, which could include locals or people elsewhere in Canada. Statistics Canada reported that no one outside of Canada owned local land; however, some may exist but may not have been included not counted due to rounding.

### 3.3 RENTAL UNIVERSE

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

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

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

#### Key Definitions

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

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

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



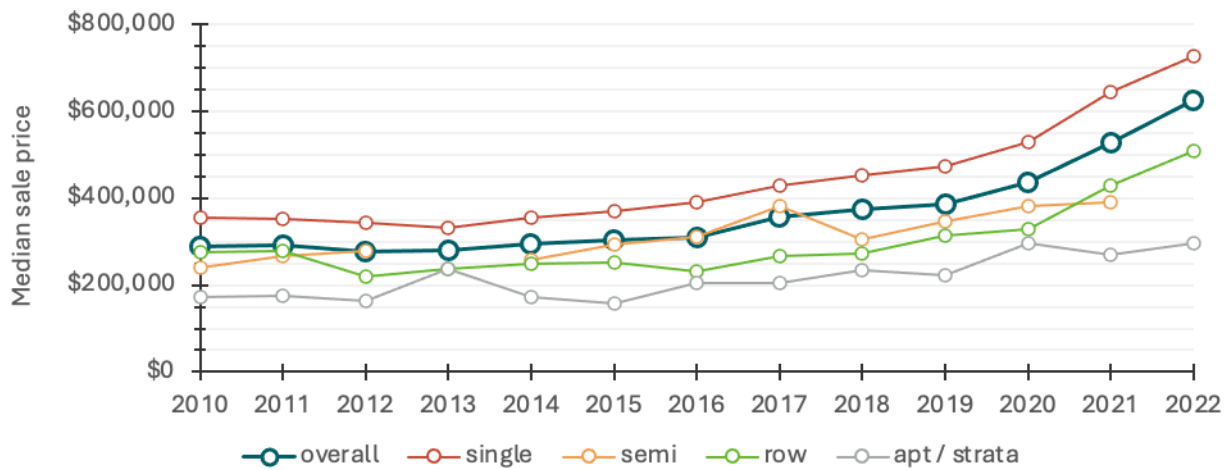
Source: BC Government purchased Custom Statistics Canada Census Tabulations

### 3.4 MARKET HOUSING ACTIVITY

#### 3.4.1 Home price trends

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

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



Source: derived from BC Assessment

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

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

	Sale price				Percent change		
	2010	2016	2019	2022	'10-'16	'16-'19	'19-'22
Overall	\$289,000	\$309,800	\$386,000	\$625,000	+7%	+25%	+62%
Single-detached	\$355,200	\$389,200	\$472,700	\$725,600	+10%	+21%	+54%
Semi-detached	\$240,700	\$310,000	\$346,700	-	+29%	+12%	-
Rowhouse	\$276,300	\$230,000	\$313,400	\$507,600	-17%	+36%	+62%
Apartment / strata	\$172,500	\$205,900	\$221,400	\$296,200	+19%	+8%	+34%

Source: derived from BC Assessment

- From 2010 to 2016, house prices appreciated at about the same pace as provincial shelter inflation.
- Price escalations became more significant after 2016, rising 25% between 2016 and 2019. Escalations ramped up even further post-2019, rising another 62% from 2019 to 2022.
- By 2022, the median home price had reached \$625,000. The most expensive form of housing was a single-detached home, with a median price of \$725,600. Increases were reported among all defined dwelling types.

### 3.4.2 Homeownership attainability

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

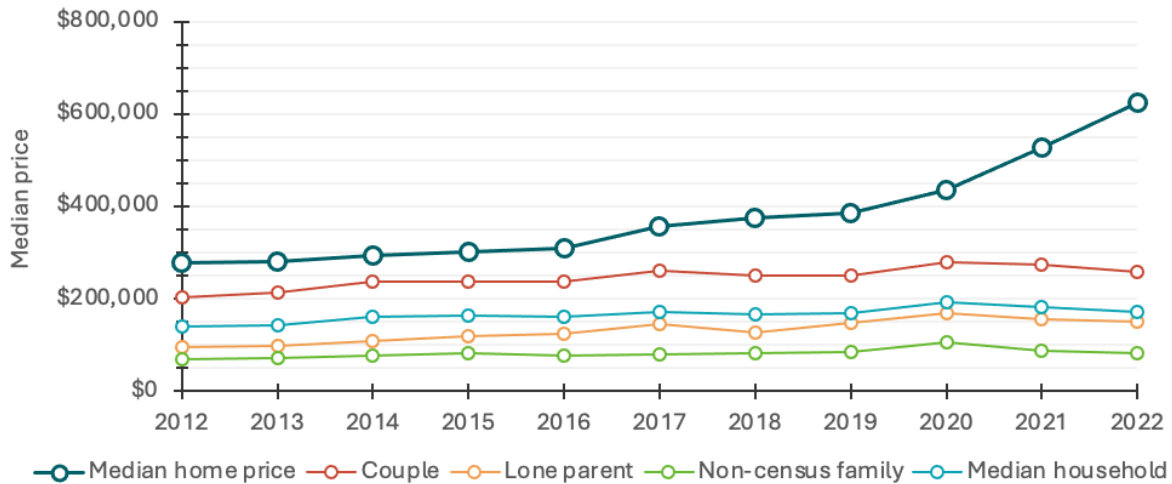
#### Assumptions

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

#### Calculations

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

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



Source: derived from BC Assessment, custom Statistics Canada dataset4 and mortgage assumptions

- From 2012 to 2016, the median couple household was the only defined household type to consistently afford the median house price. Couple households were the most capable of accessing housing given the increased likelihood of having a dual income.
- Since 2016, the median price of a home has become increasingly out of reach for all median household types. The gap between the median house price and the affordable threshold for the median household was approximately \$149,200 in 2016. The gap widened to \$454,400 by 2022.
- Homeownership attainability data highlights the notable disparity between growth in prices and growth in estimated incomes, leading to reduced purchasing power for shelter for most households in the community.

**Important note:** The gap between the affordable purchase price and actual price reflects the median. There are individuals or households who face significantly greater or significantly less financial challenges related to their shelter. As of 2021, 10% of owner households in Salmo reported not reasonably affording where they live (see Section 4.1 for more details).

### 3.5 NON-MARKET HOUSING

Non-market housing encompasses all forms of housing not subject to market forces. This includes public or social housing, affordable housing offered by non-profit organizations, and transitional and emergency shelters, among others.

Table 3-3 provides an overview of the current housing and program offerings within Salmo, as reported by BC Housing in March 2024. Please note that “XX” indicates that a unit of housing or programming may exist but is kept confidential to ensure the identity of an individual or household is not compromised.

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

**Table 3-3: Summary of local non-market housing and programs, March 2024**

Emergency Shelter and Housing for the Homeless	
Homeless housed	0
Homeless rent supplements	0
Homeless shelters	0
<b>Total</b>	<b>0</b>

Transitional Supported and Assisted Living	
Supportive seniors housing	XX
Special needs	XX
Women & children fleeing violence	XX
<b>Total</b>	<b>1</b>

Independent Social Housing	
Low income families	XX
Low income seniors	XX
<b>Total</b>	<b>52</b>

Rent Assistance in Private Market	
Rent assistance for families	XX
Rent assistance for seniors	XX
Canada Housing Benefit recipient	XX
<b>Total</b>	<b>13</b>

Source: BC Housing

- The Village of Salmo is not the non-market housing centre of the RDCK, but still offers supply to the region's inventory of units, programs, and services.
- There are 52 independent social housing units for low-income seniors, one transitional/supported assisted living unit, and 13 recipients of rent assistance.
- In total, Salmo serves 66 of the 1,323 RDCK residents / households who are receiving housing assistance.

## 4. Housing Need

### 4.1 HOUSING CRITERIA

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

#### **Adequate**

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

#### **Suitable**

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

#### **Affordable**

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

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

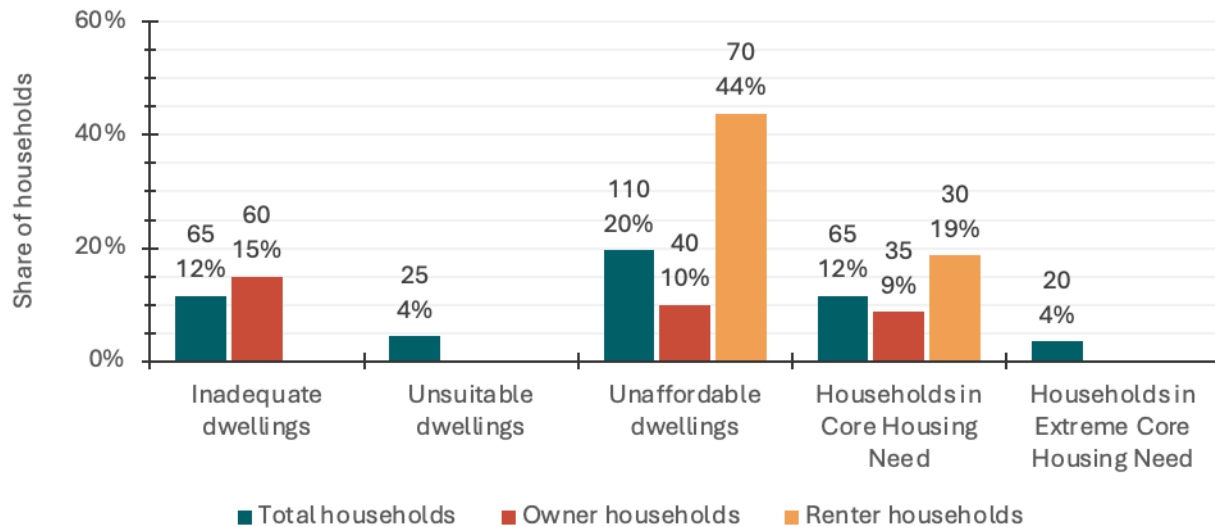
Historically, unaffordability has contributed the most to rates of CHN. However, a household in an unaffordable home does not necessarily mean they are experiencing CHN. CHN also considers whether affordable alternatives exist. In other words, CHN accounts for and does not include households living in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

### 4.2 HOUSING NEED BY TENURE

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



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



Source: BC Government purchased Custom Statistics Canada Census Tabulations

- In 2021, about 12% and 4% of local households lived in a home that required major repair or was too small, respectively.
- Unaffordability is the housing indicator most prevalent among households. In Salmo, 20% of households lived in unaffordable circumstances.
- Renter households are most severely affected by unaffordability (44%) and Core Housing Need (19%). This is largely related to a high number of single income earners living in rental households.

### 4.3 ENERGY POVERTY

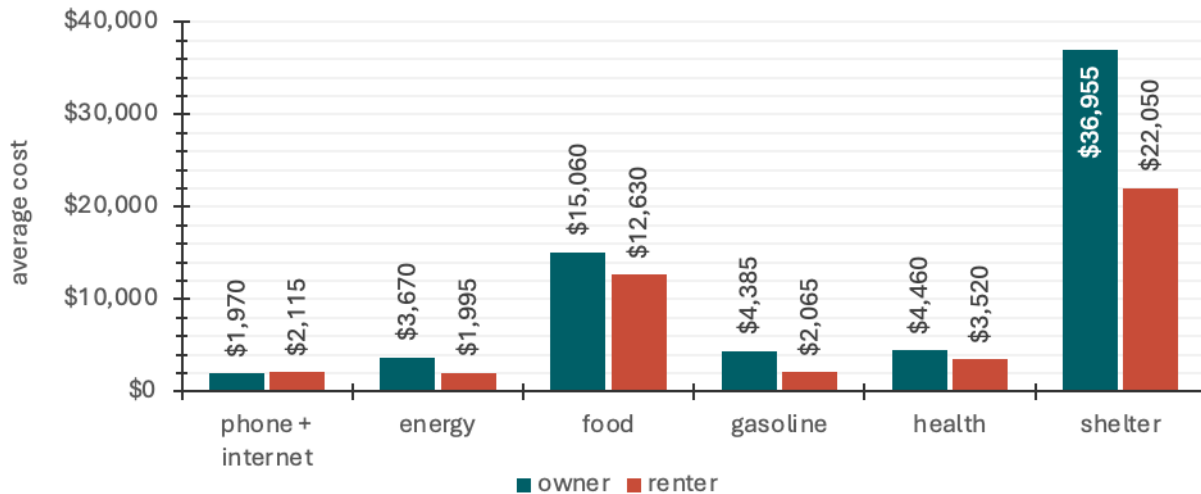
There are several expenses that contribute to the overall cost of housing. While these costs have always been a critical factor in determining a home’s affordability, recent years of high inflation have brought household expenses to the forefront – namely, the rising cost of energy. Alongside increasing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

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

1. Spending more than 6% of after-tax income on utilities,
2. spending more than 4% of after-tax income on fuel used for transportation, and
3. spending more than 10% of after-tax income for the combined of (1) and (2).

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

Figure 4-2: Average annual living expenses, 2023



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

- Shelter cost estimates are the most expensive item for a household. The typical household pays approximately \$22,000 annually on rent or \$37,000 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 \$33,300 to afford the average annual energy bill, while an owner household would require an income of at least \$61,200.
- To consider vehicle gasoline costs affordable, a renter household would need an after-tax income of \$51,600, and an owner household would need \$109,600.
- Based on after-tax household incomes reported by Statistics Canada in 2021 (\$43,600 and \$69,600), the most burdensome energy costs for households are vehicle expenses. This is due to the vast geographies that many residents must regularly travel.

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

## 5. Anticipated Housing Demand

### 5.1 DEMAND BY COMPONENT

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

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

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

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

Component	Housing units for:	Intention	5 year (by 2026)	20 year (by 2041)
A	Households in Extreme Core Housing Need	To estimate the number of new units required for those in vulnerable housing situations. Extreme need refers to those paying more than 50% of household income on shelter costs.	2	8
B	Individuals experiencing homelessness	To quantify the supply of permanent housing units required for those currently experiencing homelessness.	4	8
C	Suppressed households	To address those households that were unable to form between 2006 and the present due to a constrained housing environment.	15	61
D	Anticipated household growth	To quantify the additional households required to accommodate an increasing population over twenty years. Note that anticipated growth for municipalities is based on the average of local and regional projections (thus, population / household growth trends discussed above may not follow the same trajectory as dwelling projections) and electoral areas use solely regional projections.	90	192

Component	Housing units for:	Intention	5 year (by 2026)	20 year (by 2041)
E	Increasing the rental vacancy rate to 3%	To add surplus rental units to restore local vacancy rates to levels representing a healthy and well-functioning rental housing market. Typically, rates between 3% and 5% are considered healthy rates.	1	3
F	A local demand buffer	To reflect additional demand for housing within a given community, beyond the minimum units required to adequately house current and anticipated residents. This is called the “demand buffer” and is designed to better account for the number of units required to meet “healthy” market demand in different communities. For the purposes of HNRs, a demand factor is based on a ratio of housing price to housing density, and is calculated for each applicable community.	13	52
<b>TOTAL</b>			<b>125</b>	<b>323</b>

Source: HNR demand calculation methodology ([link](#))

### HNR Method Considerations

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

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

- The results indicate that Salmo may need to build 125 units by 2026 and 323 units by 2041. While much of the demand will come from future growth, the number of suppressed households since 2006 and the demand buffer adjustment also contribute significantly.
- Components A, B, C, and E attempt to catalog unmet “current” demand, and thus serve as an estimate of the existing housing shortage (without considering any changes since 2021, which is the reference year).

## 5.2 DISTRIBUTION OF DEMAND

### 5.2.1 Housing price model and dwelling size

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

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

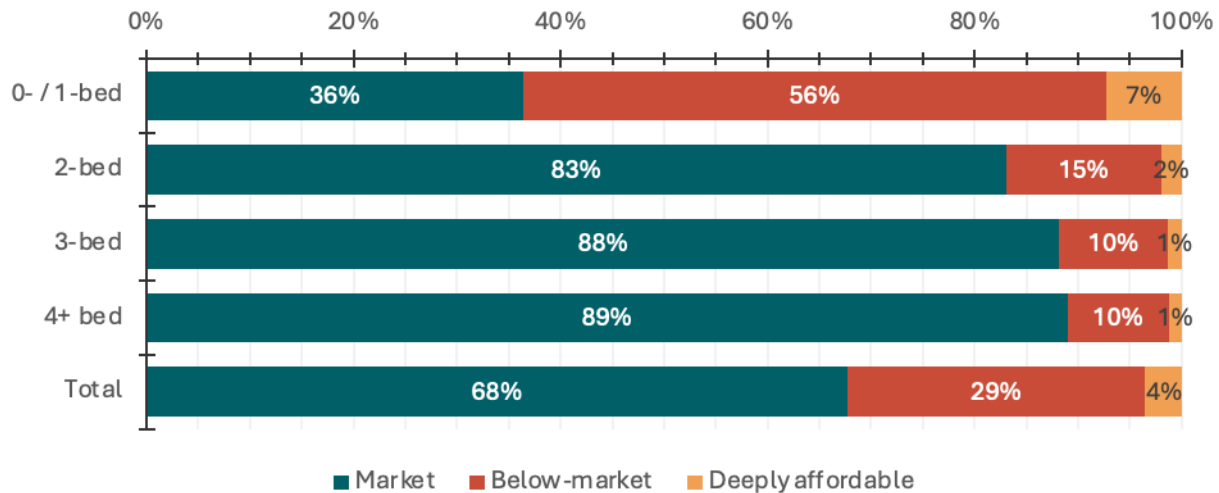
To distinguish what portion of the community might benefit from non-market housing, HART’s income categories and how they overlap across the housing continuum are considered. Briefly, we apply the historical proportions of households earning “very low” and “low” incomes to demand totals. The demand for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

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

	Market		Affordable / below-market		Deeply affordable		Total	
	5-year	20-year	5-year	20-year	5-year	20-year	5-year	20-year
0- / 1-bed	17	44	26	68	4	9	47	121
2-bed	28	71	5	13	1	2	34	85
3-bed	23	61	3	7	0	1	26	69
4+ bed	17	43	2	5	0	1	19	48
Total	85	219	36	93	5	12	125	323

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

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



- The 5- and 20-year demand projections suggest a need for 125 and 323 units, respectively.
- Market housing should remain the primary contributor to the local inventory, though there is a clear need for non-market interventions. By 2041, Salmo may need 93 affordable / below-market offerings and 12 additional deeply affordable units.
- Engagement respondents expressed the importance of ensuring all demographics have access to non-market, affordable housing options in the communities they live in.
- As suggested by the calculated shares of units by number of bedrooms, market housing demand will likely focus more on 2- and 3-bedroom units; whereas, non-market solutions may distribute more to 0- and 1-bedroom dwellings.

### 5.3.1 Housing price model and tenure

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

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

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

Price model:	5-year (by 2026)		20-year (by 2041)	
	Owner	Renter	Owner	Renter
Market housing	59	26	154	65
Affordable / below-market	14	22	36	57
Deeply affordable	0	5	0	12
Total	73	52	190	133

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

## 6. Bill 44 Analysis and Recommendations

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

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

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



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

Best Practice:	OCP Alignment/non-alignment:	Recommendations:
<p>Low density language in the OCP (often referred to as “traditional residential or “stable residential) should explicitly support various forms of missing middle and small scale multi-residential. No zones/ areas within the Village should exclusively allow single detached dwellings or single-family homes.</p>	<p>Salmo's Official Community Plan (OCP) supports a variety of housing types. It considers allowing smaller lot sizes on rural properties to increase density and limits mobile home parks to those currently in existence. The plan also explores the rezoning of undeveloped land for multi-family use, facilitating the development of apartments, townhomes, and condominiums. Additionally, it proposes re-designating portions of the village from low-density to mixed-use to provide more housing options.</p>	<p>No recommendations – existing language in the OCP is aligned with the best practice.</p>
<p>Consider allowing purpose built rental apartments in several areas in the Village rather than solely in growth/core/arterials. This could encourage more purpose-built rentals in areas throughout the Village. This type of housing is important for a community as it is often the only form of housing that is accessible to lower-income families, seniors, and young people.</p>	<p>Upon reviewing the land use map in conjunction with the policy notes for the first best practice statement, a variety of housing types and development opportunities will be distributed across multiple neighborhoods, which is a positive development. Incorporating this language into the policy further strengthens and aligns with ongoing efforts.</p>	<p>Adjust language in <b>Policy 5.5.f</b> to: "Encourage an increase in the development of rental housing in various forms throughout all neighborhoods within the village, where appropriate."</p>

Best Practice:	OCP Alignment/non-alignment:	Recommendations:
<p>Ensure Development Permit Area (DPA) policies and guidelines do not unreasonably prohibit or restrict SSMUH development. According to the provincial policy manual, local governments are discouraged from using DPAs to regulate form and character of SSMUH development in all but exceptional circumstances. It is recommended to amend existing DPAs to remove SSMUH developments from intensive or multi-family residential definitions.</p>	<p>Some of the Development Permit Area policies and guidelines identified in the OCP are restrictive of SSMUH development.</p> <p>For example, <b>Policy 6.5.4. General Design Guidelines for the DPA 2 – Downtown Revitalization Development Permit Area</b> states that “building scale, height, form, materials, colors and details must be consistent with the Historic image. Acceptable design features include:</p> <ul style="list-style-type: none"> <li>i. Two storey building heights.”</li> </ul>	<p>Adjust language in <b>Policy 6.5.6.c</b> DPA General Exemptions to: “reconstruction or repair of a structure on its existing building footprint, including SSMUH secondary dwelling units, except under exceptional circumstances.”</p> <p>By modifying the above policy to allow reconstruction or repair of structures on their existing building footprint, including SSMUH secondary dwelling units, the policy reflects the need to facilitate SSMUH developments without additional regulatory controls. This ensures that existing SSMUH units can be repaired or reconstructed without unnecessary restrictions, except in cases where exceptional circumstances might apply.</p> <p>Add a new policy line in <b>DPA General Exemptions</b>: “the development of Additional Dwelling Units as per the SSMUH policy manual, except under exceptional circumstances.”</p> <p>The new policy line regarding the development of Additional Dwelling Units under the SSMUH policy manual follows the same logic. It ensures that the development of these units is not excessively regulated, particularly in intensive or multi-family residential areas. By emphasizing that additional controls are only applied in exceptional circumstances, the policy encourages the development of SSMUH units in a way that meets housing needs while adhering to provincial best practices.</p>

Best Practice:	OCP Alignment/non-alignment:	Recommendations:
<p>The life-cycle costs of infrastructure and servicing are significantly more cost-efficient when growth occurs in existing neighbourhoods, and within urban containment boundaries, compared to sprawl. Local governments should focus growth in areas that are already serviced.</p>	<p>The OCP policies align with, and takes into consideration, this best practice as it notes that new development in the Village should occur within serviced areas, that have adjacent or nearby services and infrastructure including water, sewer, and roads. See below for policy examples.</p> <p><b>Policy 5.4b:</b> “Encourage the development of vacant parcels that are already serviced, and the redevelopment of serviced parcels currently occupied by buildings beyond their useful lifespan.”</p> <p><b>Policy 5.5c:</b> “Encourage the infill and/or redevelopment of existing serviced residential parcels, especially near the downtown core.”</p>	<p>No recommendations – existing language in the OCP is aligned with the best practice</p>

## 7. Conclusion

The Village of Salmo's housing landscape is evolving. Although there was marginal growth between 2016 and 2021, considerable growth is expected over the next two decades, leading to a rise in housing demand.

From 2010 to 2016, house prices in the Village of Salmo were relatively stable, appreciating at about the pace of provincial shelter inflation. However, since 2016, prices have escalated significantly. The median home price appreciated 62% between 2019 and 2022. This has exacerbated housing affordability challenges and put further strain on the rental market. Low vacancy rates across the RDCK and limited supply are expected to further challenge current and future residents looking for both rental and ownership housing.

In 2021, approximately 20% of local households in Salmo lived in unaffordable circumstances, a larger percentage relative to other neighboring communities in the RDCK and across BC. Meeting the demand for affordable housing options in the community is crucial. Estimates suggest that about 105 subsidized units could be required over the next 20 years to meet the needs of those most vulnerable. Overall, the Village of Salmo may require an additional 323 housing units be built by 2041 to mitigate existing and future market imbalances.

Although the Village of Salmo is not the non-market housing centre of the RDCK, it still hosts a significant supply of the RDCK's inventory of units, programs and services. The Village recognizes that housing affordability is a key topic for residents. Over the years, Village staff and leadership have shown their commitment to increasing non-market housing units. It is recommended that the Village continue to explore options to partner with local housing operators to facilitate non-market construction on Village-owned land.

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

Consulting support from:





# Village of Salmo Housing Needs Report Update

REGIONAL DISTRICT OF CENTRAL KOOTENAY  
COMMUNITY PROFILES

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## APPENDIX A: **DEFINITIONS**



## Definitions

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

**“census”** means a census of population undertaken under the Statistics Act (Canada);

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**“owner household”** refers to a private household where some member of the household owns the dwelling, even if it is still being paid for;

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



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

**“household size”** refers to the number of persons in a private household;

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

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

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

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

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

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

**“shelter cost”** refers to the average or median monthly total of all shelter expenses paid by households that own or rent their dwelling. Shelter costs for owner households include, where applicable, mortgage payments, property taxes and condominium fees, along with the costs of electricity, heat, water and other municipal services. For renter households, shelter costs include, where applicable, the rent and the costs of electricity, heat, water and other municipal services;

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

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

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