

CBRM's Housing Story

CBRM Housing Strategy - Phase 1 Report

September 2024

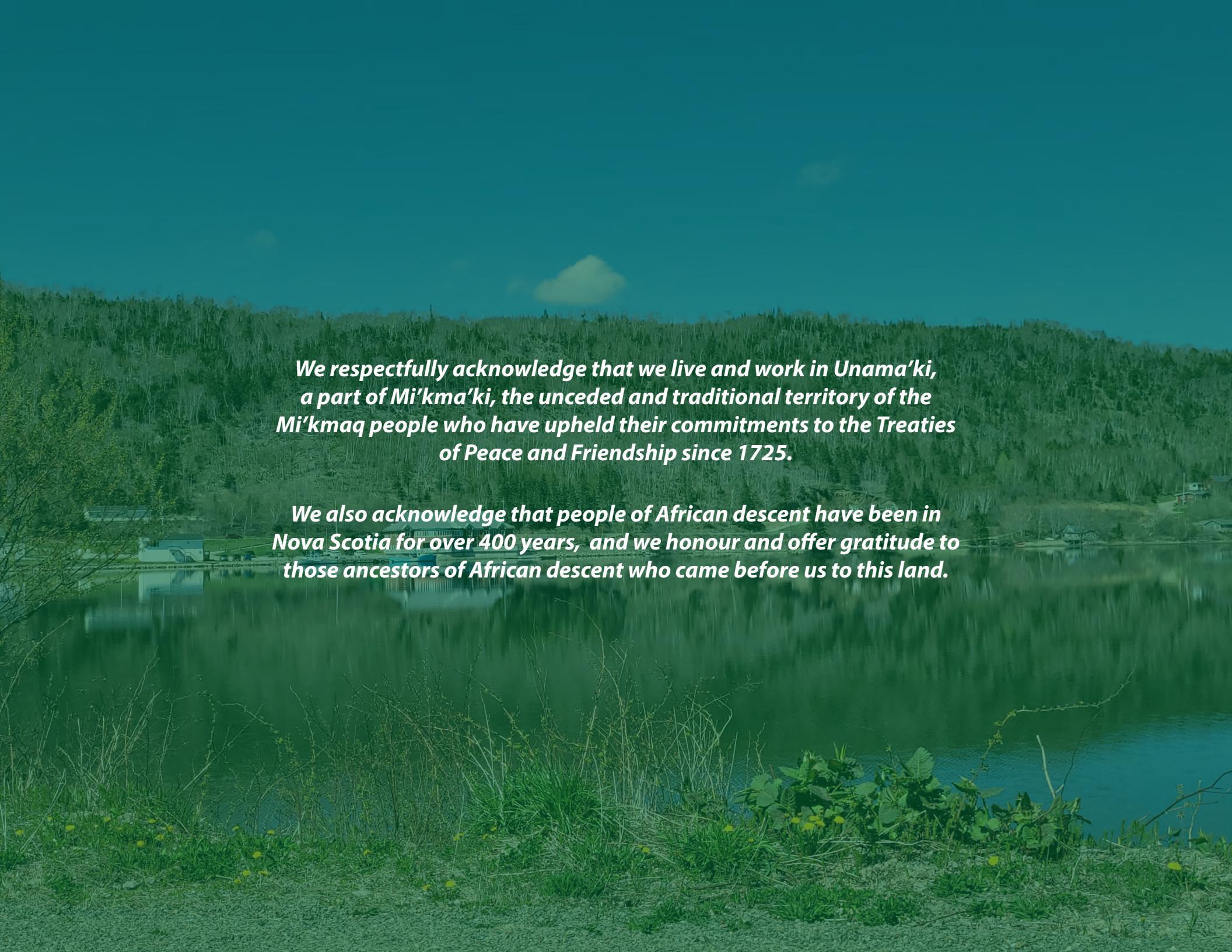


CAPE BRETON
REGIONAL MUNICIPALITY



Lyndsay Francis

S.J. Murphy Consulting

A scenic landscape featuring a calm lake in the foreground, green hills covered in trees in the middle ground, and a small town with houses and buildings visible on the right side under a clear blue sky.

*We respectfully acknowledge that we live and work in Unama'ki,
a part of Mi'kma'ki, the unceded and traditional territory of the
Mi'kmaq people who have upheld their commitments to the Treaties
of Peace and Friendship since 1725.*

*We also acknowledge that people of African descent have been in
Nova Scotia for over 400 years, and we honour and offer gratitude to
those ancestors of African descent who came before us to this land.*

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Thank you to everyone who has taken the time to speak with us or fill in the community survey about housing across CBRM.

Your ideas, insights and experiences have been invaluable in helping us understand CBRM's housing past and present, and envision a better future. We would like to thank and acknowledge those who have been working for years to improve housing across CBRM. This project is built on the work of these individuals and organizations. We are honoured to be a part of CBRM's housing story.

What is this project about?

The Cape Breton Regional Municipality is undertaking a Housing Strategy to identify existing housing challenges, opportunities and solutions.

This work will include:

- Public and stakeholder engagement to inform the Housing Strategy;
- Recommendations for a potential new comprehensive residential development incentive program;
- Identification of municipally-owned surplus lands suitable for residential development;
- Residential development incentive program analysis including a land development framework, policy and regulatory review, and financial feasibility assessment; and
- Implementation of a road map and monitoring and evaluation framework.

This Housing Strategy will provide a framework for CBRM to support housing across the municipality. It will serve as a comprehensive and measurable plan to increase the amount of housing in CBRM's communities while promoting sustainable growth and development.

This report represents our findings from phase 1. The goal of this phase has been to understand CBRM's housing story and housing needs across CBRM. Through targeted research and community engagement, this phase of the work sets the stage for the rest of the Housing Strategy project.

What is CBRM's Housing Past?

To understand CBRM's current and future housing needs, it is necessary to first look at how CBRM came to be and how the population and housing have changed over time. The earliest inhabitants of the lands now known as Cape Breton were the Mi'kmaq.

Unama'ki is the unceded and ancestral territory of the Mi'kmaq People, who have lived here since time immemorial. The Mi'kmaq People lived across the land moving close to the coasts in the spring and summer months and moving inland during the fall and winter¹.

1 Canadian Encyclopedia, Mi'kmaq, 2024

Once settlers arrived in the area, coal mining, fishery, and steelmaking became major industries in CBRM. However, the coal mining industry became less competitive in the market after the Second World War as imported oil became more affordable than domestic coal¹. In recent decades, CBRM has been demolishing derelict homes, many of which were company homes that had become vacant as the population declined with the closing of coal mining and steelmaking operations. Between 2001-2016, CBRM experienced a population decline of 11%.

1 Gillies, Nova Scotia's coal industry is in decline: The province needs a green energy transition, 2021

Population Decline



Example of Company Home for Miners, 1909 (Source: NS Archives)

Company homes

Constructed between the late 1800s and early 1900s, company homes offered distinctive characters to the communities across CBRM. Originally built for workers in mining and steel industries, company homes were a major form of housing in CBRM.

Company homes were typically single-detached or small duplexes (between 700 and 1,000 square feet), featuring Gothic Revival design elements. Company homes are also a symbol of "the tenacity and hard work of the miners"¹, offering a sense of social and historical significance. Company homes are still seen across CBRM today.

1 National Trust of Canada, Nova Scotia – Company Houses, n.d.

The Cape Breton Community Housing Association has profiled CBRM's **rental housing** stock in recent years. Based on their 2016 research¹, the majority of CBRM's rental housing stock (66.5% or 6,589 units) is owned by for-profit operators while another 27.5% (2,729 units) are owned by non-profit operators. Many landlords in the CBRM have a small number of properties with 50% of the for-profit landlords owning one structure

The majority of rental units in CBRM in 2016 were targeted towards specific types of tenants, with seniors having the greatest access to units. Of the 29 for-profit rooming houses (121 rooms), the majority (61%) were targeted toward student renters.

¹ Leviten-Reid, C. & Horel, B., Rental Housing in Cape Breton Regional Municipality in the Context of Homelessness and Housing First: A Research Report, 2016

They found that the majority of rental units (88%) were not accessible, most (82%) non-profit and for-profit units require general maintenance and 7% (503 units) required major repairs. This aligns with anecdotal and documented evidence that CBRM's rental stock is of low quality.

The study recommended "affordable units need to be provided to all segments of the population in core housing need: non-senior, single-person households have fallen through the cracks." (p 24). Furthermore, more accessible housing is needed across the municipality and more supports are needed to encourage this type of development. An adjacent report² also recommended financial incentives be put in place to improve the quality of rental units across CBRM.

² Leviten-Reid, & Horel., Living in Rental Units and Rooming Houses in the Cape Breton Regional Municipality: Tenants and Tenant Experiences, 2016

Rental Market

	Sydney	Non-Sydney	Total
Non-profit	5.5% (280)	6.5% (312)	6.0% (592)
For-profit	72.1% (3670)	60.5% (2919)	66.5% (6589)
Public	22.4% (1137)	33.1% (1592)	27.5% (2729)
Total	100% (5087)	100% (4823)	100% (9910)

Total rental units in the CBRM by housing provider (Source: Leviten-Reid, C. & Horel, B., Rental housing in CBRM in the context of homelessness and housing first: A research report, 2016)

	Non-profit	For-profit ^a	Public	Total ^a
Studio	0%	3%	0% ^b	1%
One Bedroom	16%	19%	59%	38%
Two Bedrooms	41%	62%	6%	32%
Three or More Bedrooms	43%	15%	35%	28%

^a Percentages in these columns do not add up to 100 due to rounding.

^b There are a small number of studio apartments available through public housing. The percentage of studio apartments available through public housing is actually 0.29%, which was rounded to 0%.

Size of rental units in CBRM by housing provider (Source: Leviten-Reid, C. & Horel, B., Rental housing in CBRM in the context of homelessness and housing first: A research report, 2016)

	For-profit Housing ^a	Non-profit Housing	Public Housing	Units Per Target Group ^a
Seniors	36%	28%	60%	47%
Families	6%	32%	40%	25%
Students	4%	0%	0%	2%
Singles/Couples^b	2%	0%	0%	2%
Professionals	8%	0%	0%	4%
First Nations Living	0%	2%	0%	0% ^c
Off Reserve				
None	46%	38%	0%	23%

^a Percentages do not add up to 100 because a small number of units are targeted to more than one group, and due to rounding.

^b Research participants were typically meaning that the housing was not suitable for children, and that they were wanting mature individuals or couples as tenants.

^c The percentage is actually 0.2, but is presented as 0 due to rounding.

Units targeted to specific renters by type (Source: Leviten-Reid, C. & Horel, B., Rental housing in CBRM in the context of homelessness and housing first: A research report, 2016)

After several decades of population decline CBRM faced significant headwinds with an aging population, shrinking tax base, and looming infrastructure liabilities.

In 2019, **Grant Thornton** conducted a **viability study** to analyze whether CBRM could continue to meet its level of service and infrastructure obligations and ensure its future viability as a municipal government.

Of the three scenarios presented, only the “optimistic scenario” forecasted a return to stable growth and the potential for CBRM to pull out of a downward spiral of a shrinking tax base and mounting infrastructure costs.

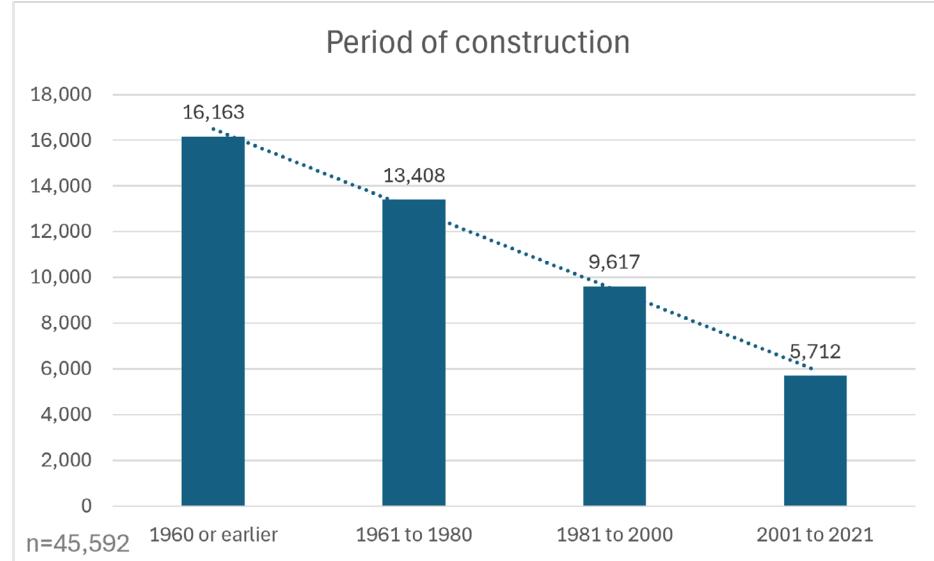
Two key recommendations from the report that are relevant to housing were to use:

1. Land Banking to expedite the processing of delinquent and abandoned properties, and
2. Property tax incentives for urban residential development.

These recommendations were used to inform this Housing Strategy project.

“Ultimately the region’s continued viability will be dependent on marginally reversing the historic trend of a declining population, which will largely be driven through continued coordination among all levels of private and public institutions, as well as the necessary time and capital investment for the strategies to produce the intended results.” - Grant Thornton CBRM Viability Study, 2019

Viability



CBRM's housing stock by year of construction (Source: FBM & Manifold Data Mining Inc, data vintage 2023/2024)

Housing Stock

The majority (67.7%) of CBRM's current housing stock was built prior to 1980. After that time, new housing construction slowed, likely due to population decline. This lack of demand for new housing has left CBRM with a significant amount of older housing stock.

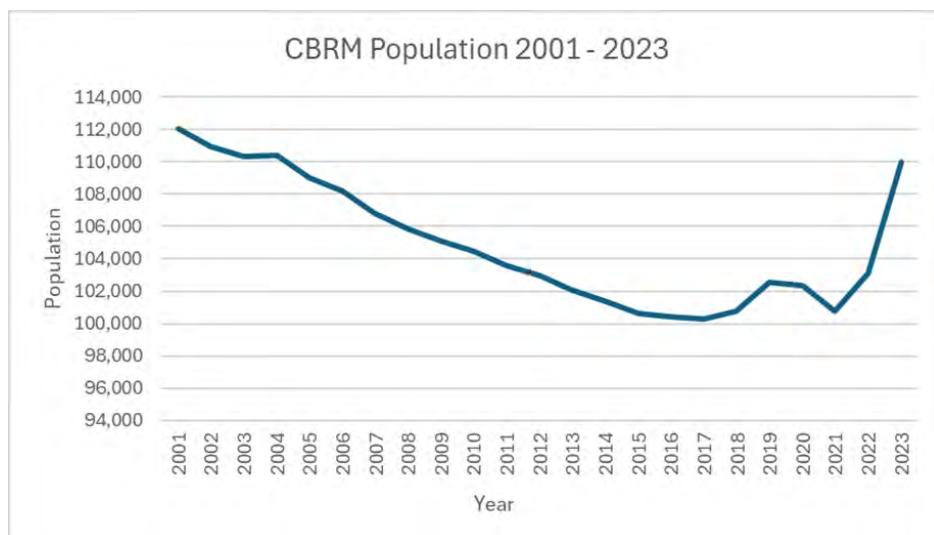
What is CBRM's current housing situation?

Starting in 2019 CBRM had a bump in population that would mark the first period of growth in nearly 60 years. After a slight dip in 2021, the population growth again resumed at an even faster rate, increasing by an average of 4.2% per year between 2021-2023.

This recent population change has had a significant impact on CBRM's housing situation. The following pages tell the story of how population growth has impacted housing supply and demand, while also affecting rates of homelessness. We also profile barriers and opportunities around affordable housing, CBRM's housing needs, challenges with seasonal housing and short term rentals, and planning efforts to related to housing. We also share our housing strategy findings to date.

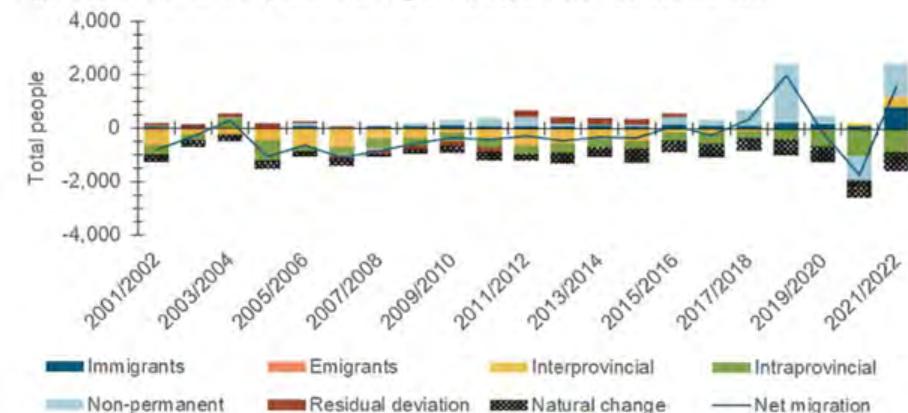
The story of today starts with **population growth**. A successful strategy of attracting international students and intraprovincial migration has helped to put CBRM back on a path of viability. Recent population growth has far exceeded even the optimistic scenario of the Grant Thornton Viability Study. Without this spike in population, CBRM's population would have continued to decline.

Population Growth



CBRM population decline and increase 2001-2023 (Source: Statistics Canada Table 17-10-0148-01)

Figure 7.1: Historical Components of Migration, Cape Breton Census Division



Historical components of Migration for CBRM, 2001-2022 (Source: Statistics Canada Table 17-10-0140)

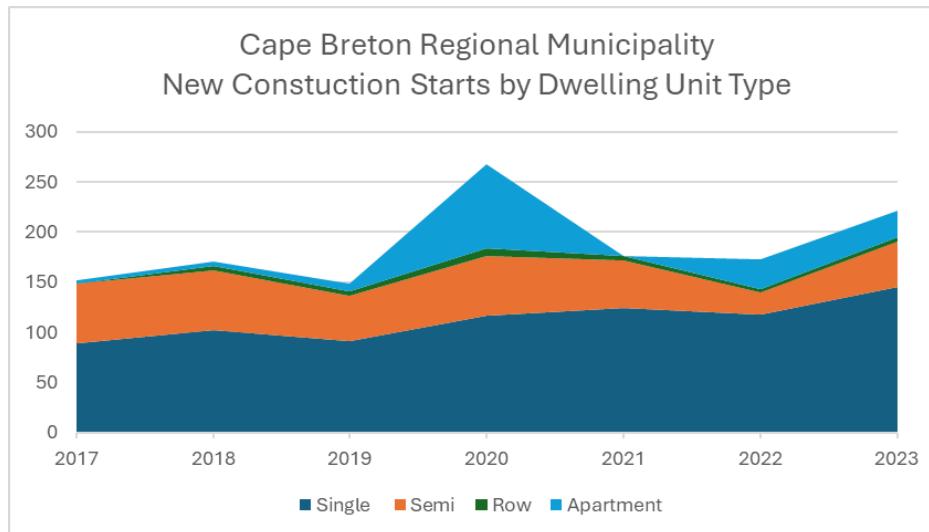
This fast reversal of population decline has not come without its challenges. With this sudden reversal in population growth the average **vacancy rate** around the municipality declined to 0.8% in 2023. While vacancy rates have fluctuated significantly over the past decade, they have generally been at or above 3% (considered to be a healthy vacancy rate range) until 2022.

Classical economics states that supply and demand influences the price of a good. This law appears to hold true in the case of CBRM - as the vacancy rate was at a recent peak of 6.2%, average rent declined. A few years later when the vacancy rate declined below 3%, average rents increased annually by more than 6%. While correlation does not mean causation, the low vacancy rates in CBRM are undoubtedly putting upward pressure on housing costs.

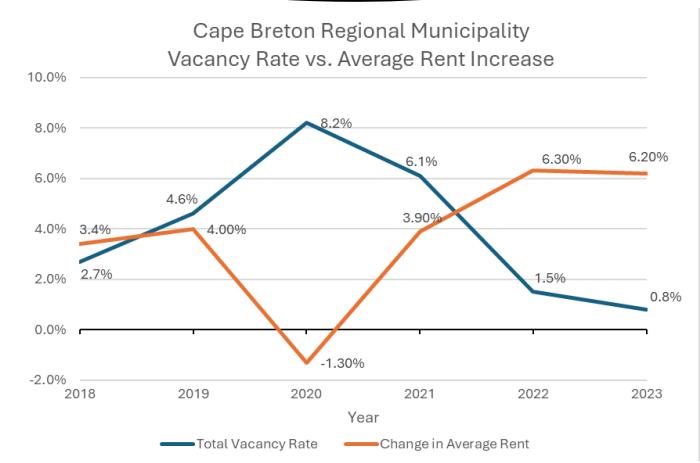
To increase the supply of housing in CBRM, **construction** of additional dwelling units is needed. In 2023, the total number of housing construction starts was up 45% above 2017 levels.

Since 2017 there has been an increase in the share of apartment units in this total, with a noticeable bump in 2020. The past few years indicate a growing demand for apartment housing and capacity for the construction industry to deliver this type of housing. Despite this, single detached dwellings are still the most common type of housing being constructed in CBRM, representing 66% of housing construction starts in 2023. If housing demand is to be adequately met, the number of annual construction starts will need to continue growing.

Supply and Demand



Housing Starts by Dwelling Type (Source: CMHC Housing Market Data, 2023)



Rental Market Survey (Source: CMHC Housing Market Data, 2023)

Homelessness, both visible and hidden, has been increasing in CBRM over the past decade. As of the most recent count (2021), there are 325 individuals experiencing homelessness in CBRM. The next homelessness count is anticipated to occur in Fall 2024 and will likely report an increase in homelessness.

Homelessness is a structural and systemic issue that manifests as a form of social exclusion from housing. The causes of homelessness differ per person, but often factors such as economic and societal issues (structural factors), poverty, lack of access to housing, system failures where “systems of care and support fail”, personal circumstances and relational problems (e.g. mental health, traumatic events, etc.), and domestic violence compound to push an individual into homelessness¹.

1 Evangelista, G. F. Poverty, Homelessness and Freedom: An Approach from the

In Cape Breton, the main causes of homelessness include poverty, addiction and substance use, family conflict and domestic abuse². In the 2016 Point in Time Count, 69% of surveyed clients experienced poor housing options and low income as a barrier to finding permanent housing. In 2021, the top barriers to clients accessing affordable and appropriate housing included lack of appropriate housing availability (55% of respondents) and poor housing options (35%)³.

Lack of affordable housing, financial barriers, lack of employment, family conflict, mental health and addiction issues, and gaps in transition support (e.g. from public systems such as child welfare or corrections) also contribute to youth homelessness⁴.

Capabilities Theory. European Journal of Homelessness, 4, 189-202 (2010).

2 CBRM Homelessness Count Committee (2016) and Affordable Housing and Homelessness Working Group (2018), Homeless in Cape Breton Point in Time Counts.

3 Service-Based Homelessness Count: Counting those experiencing homelessness in Eastern Nova Scotia (2021)

4 Cape Breton Community Housing Association, Youth Homelessness in CBRM, 2018

Housing Situation	2016		2018		2021
	PIT	SBA	PIT	SBA	SBA
Absolute homelessness					
Unsheltered	24	10	9	47	33
Emergency Sheltered	30	85	20	50	65
Provisionally Accommodated					
Transitional Housing	17	28	7	31	107
Another's home	30	93	21	64	
Transitional Residential Centres & Institutions	36	88	58	72	
At risk of homelessness	NA	NA	NA	NA	74
TOTAL number of people experiencing homelessness	137	304	115	278	325

CBRM Point in Time (PIT) and Service Based Approach (SBA) Homelessness Counts compiled by FBM with data shared by the Affordable Housing and Homelessness Working Group (2016, 2018, 2021).

For more info on community and support services, visit

welcometcapebreton.ca/live/everyday-essentials/community-support/

An **affordable housing strategy** to prevent homelessness and support affordable housing has been explored in the past by the Cape Breton Community Housing Association (CBCHA) and the Affordable Housing and Homelessness Working Group (AHHWG). The Situational Assessment¹ that informed their work grounds the strategy in housing as a human right and as a social determinant of health. Their vision was: "All people living in CBRM will have access to safe, adequate, affordable housing" (p 3).

¹ Moore, Affordable Housing in the Cape Breton Regional Municipality: Situational Assessment, 2019

The Situational Assessment, which profiled CBRM's affordable housing situation as of 2019, highlighted that **major barriers to development** include the high cost of land, construction and property taxes which can increase rents until they are unaffordable to the intended residents.

Stigma towards service providers and 'not in my backyard' (NIMBY) attitudes were other barriers. They noted that repairing, renovating and retrofitting existing homes can help people, such as seniors, stay in their homes longer. These repair and renovation projects can benefit from increased non-profit collaboration and social enterprise.

Barriers

CBRM has a number of housing supports available, including but not limited to:

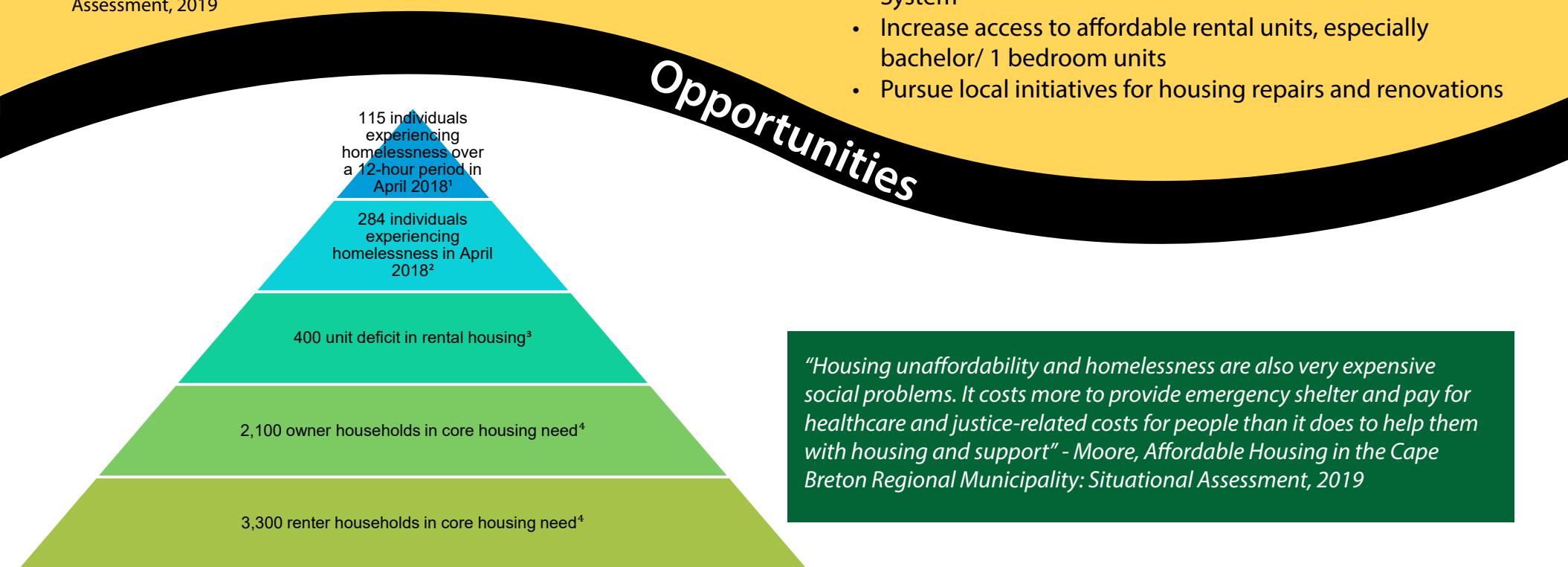
- Public housing and rent supplements through the Cape Breton Island Housing Authority
- Housing programs for various types of tenants (e.g. seniors, families) - most are delivered by non-profits
- Housing co-operatives - most providing seniors housing
- Homeless shelters for men and women - no designated shelter for youth exists
- Rapid housing initiatives through New Dawn

For more info on local housing initiatives, visit
www.endhomelessnesstoday.ca/working-group

Key incentives for for-profit housing operators to build affordable housing included financial resources such as lower development costs and rent supplements, and tenant support such as through Housing First¹. Housing First focuses on rapidly housing those experiencing homelessness into stable housing with supports. Landlords can benefit from partnering in Housing First programs through reliable rent payments and assistance with repairs when damage is caused by a tenant.

The Situational Assessment also reported a need for a collaborative support model where housing and multiple supports are located in one space. Specific consideration for the safety of vulnerable women and their unique housing needs was also highlighted.

¹ Moore, Affordable Housing in the Cape Breton Regional Municipality: Situational Assessment, 2019



Scope of homelessness and housing need in CBRM as of 2019 (Source: Moore, Affordable Housing in the Cape Breton Regional Municipality: Situational Assessment, 2019)

The Situational Assessment outlined the following strategic recommendations:

- Leadership, collaboration and alignment
 - Establish an affordable housing coalition with non-profit, for-profit and public sectors involved.
 - Explore community-university housing partnerships
 - Advocate for adequate income and housing affordability, including through provincial rent supplements and increasing maximum shelter allowance
- Homelessness and housing systems planning
 - Expand supports for those experiencing or at risk of homelessness including establishing a Coordinated Access System
 - Increase access to affordable rental units, especially bachelor/ 1 bedroom units
 - Pursue local initiatives for housing repairs and renovations

"Housing unaffordability and homelessness are also very expensive social problems. It costs more to provide emergency shelter and pay for healthcare and justice-related costs for people than it does to help them with housing and support" - Moore, Affordable Housing in the Cape Breton Regional Municipality: Situational Assessment, 2019

The **Provincial Housing Needs Assessment**, completed in 2023, provided a comprehensive analysis of housing needs across Nova Scotia, along with individual assessments for each municipality including CBRM. The assessment was based on the data available at the time which had not yet shown the sharp increase in population growth from 2021-2023. Despite this, the assessment painted a picture of declining housing affordability, a shortage of approximately 1,000 units, historically low vacancy rates, and a housing construction industry largely focused on the development of single detached homes. These were the circumstances surrounding a municipality believed to be continuing a trend, albeit slowing, of population decline.

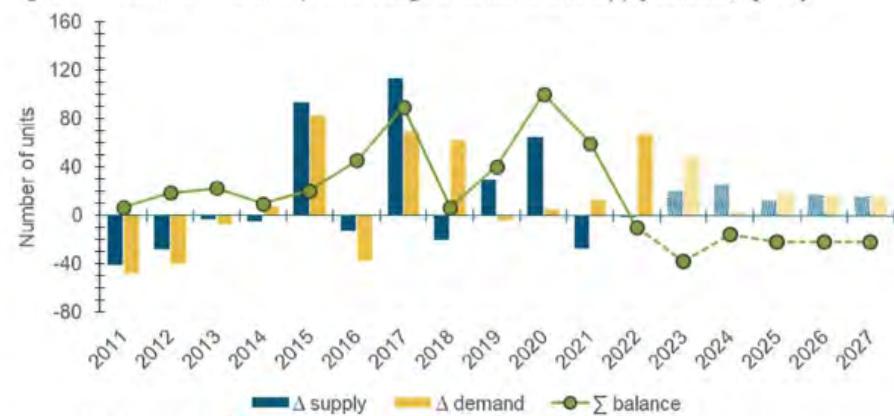
Although the assessment assumed population decline, it also considered the potential for a high growth scenario which would exacerbate the shortage of housing already being experienced. Rather than the projected decrease of housing unit shortage (deficit) from 1,000 to 230 units under the current rate of construction, a high growth scenario anticipated that the demand would outpace construction and cause the housing shortage to grow to 1,185 units by 2027. This shortage would be most acutely felt within Sydney. Investments into the construction of affordable housing will be one important way to help to fill the housing shortage gap. Two recently funded examples¹ where half of the units will be rented at 80% of average market rate are:

- Stephen Jamael Property Rentals Inc, Sydney: \$3.8 million for 36 units
- Future Growth Co-op Ltd., Sydney Mines: \$3.9 million for 22 units

¹ Municipal Affairs and Housing, More Affordable Housing for Nova Scotians, 2023

Housing Needs

Figure 4.2: Historical and anticipated change in demand and supply balance, Sydney



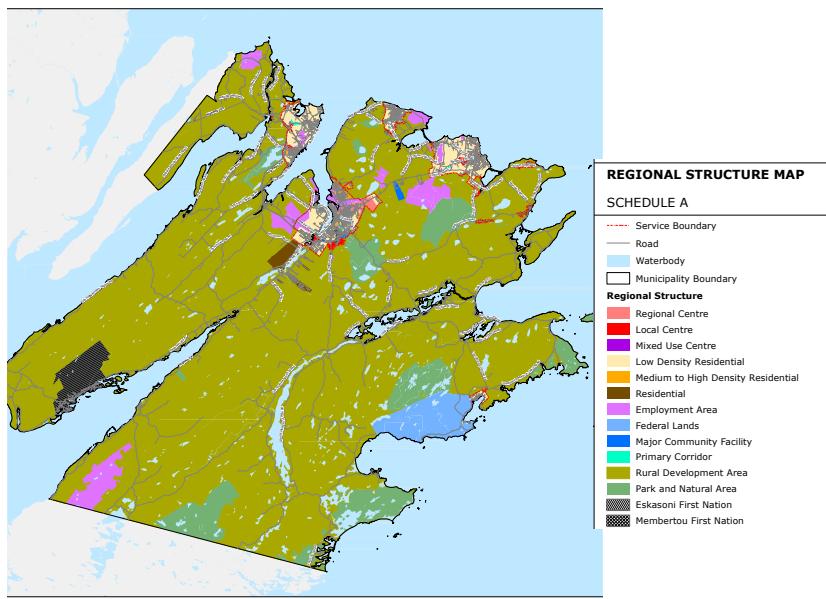
Housing Supply in Sydney (Source: Provincial Housing Needs Assessment for CBRM, 2023)

In response to changing community needs and demographics, CBRM decided to take action with a bold strategy to halt and reverse this decline. In 2023, CBRM approved a new **Municipal Planning Strategy** (MPS) called "**CBRM Forward**" which spans the entire municipality.

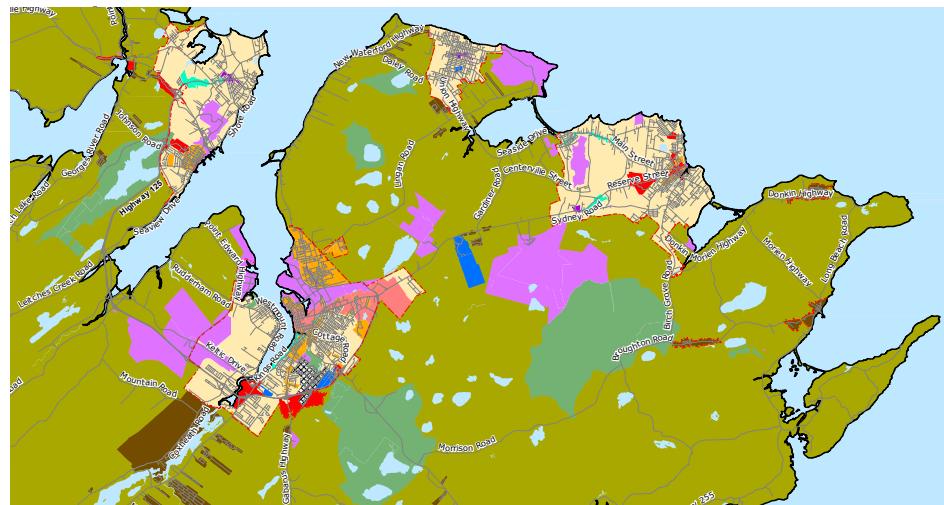
CBRM Forward is a progressive planning strategy which focuses on development within serviced areas – particularly the “Regional Centre” (Downtown Sydney). Through this plan, CBRM aims to accommodate its share of the Province’s overall population growth and allocate new development along existing services and infrastructure. The accompanying Land Use Bylaw permits up to 6 dwelling units as-of-right within the Urban Residential 2,3 and 4 zones, and the Small Community (R7) zone.

Four key themes that are addressed in the plan are:

- Attracting newcomers: Taking a share of the Province's population growth targets and leveraging growth in foreign students.
- Infrastructure liabilities: Managing a sprawling infrastructure network. Growth should be directed in areas with existing services to grow the tax base and use existing infrastructure more efficiently.
- Housing challenges: Recognizing housing challenges including aging housing stock, limited supply of rental units, fluctuating rental vacancy rate, and more people experiencing housing poverty.
- Housing Opportunities: The potential to create a more diverse housing stock and be a partner in facilitating the development of affordable housing.



CBRM map showing service boundary and residential areas (Source: CBRM Regional Structure Map, 2023)

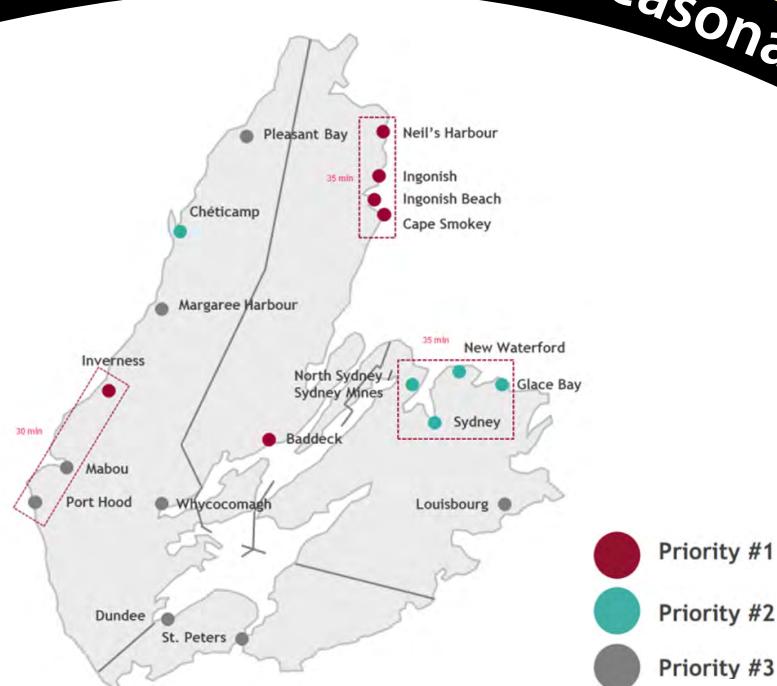


In 2020 the Cape Breton Partnership conducted a **Study of Housing Needs to Support the Growth and Sustainability of Seasonal Industries in Cape Breton**. They emphasized that many of the current solutions to offer adequate and affordable housing had been small in scale, including employers partnering with landlords to secure accommodation for their employees and non-profit organizations providing affordable rooms for individuals in need.

The study identified “Priority Areas” for future housing development, which was based on the extent to which housing could support the growth of seasonal industries. Communities in CBRM were identified as Priority 2 areas.

Recommendations for CBRM focused solely on providing student housing, including dormitories and modular apartments. While the study highlighted that housing students would be crucial, they also recognized that “[the] student-focused solutions [were] somewhat out of scope for this project,” indicating that further research could be beneficial to explore more options for students.

Another major recommendation for CBRM was enhancing transit support. The study indicated that CBRM could be a major hub for transportation. Examples included “formalized carpooling program, private operators offering planned routes, or some publicly funded solution.” The Study underscored the importance of enhancing transit as it would increase the mobility of the population and could expand options for where to be based.



CBRM Communities

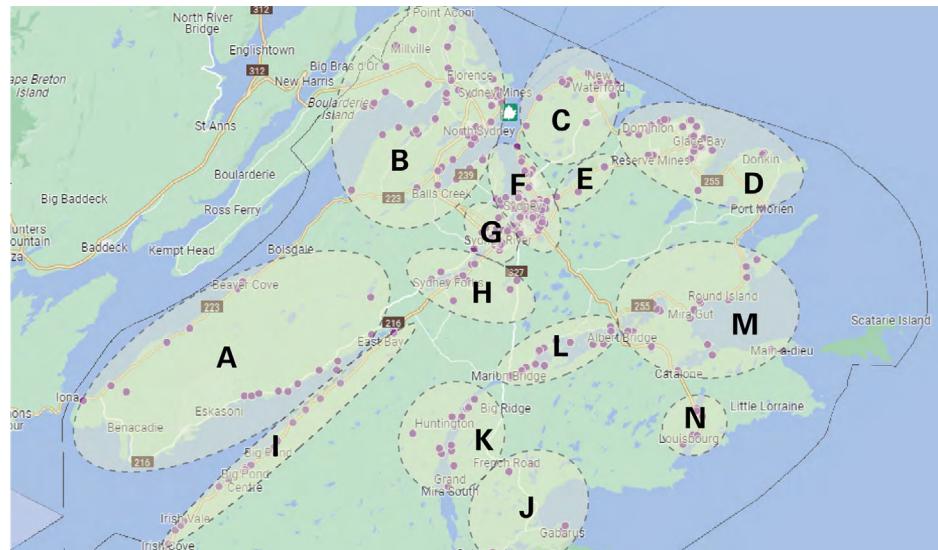
Priority #2: While housing in these areas is important to the growth of seasonal industries, investments in these areas may be less meaningful than in priority one areas.

Two-Year to Five-Year Time Horizon

Short-Term Rental (STR) accommodations are important to consider because not only do STRs impact the broader accommodations market, but they can also fundamentally impact the availability of long-term rentals, which affects housing options and affordability.

Based on data from AirDNA Marketfinder in July 2024, CBRM's STR was quite active with 419 within County boundaries. While the highest concentration of STR listings was in zone F (Sydney) with 103 listings, the STR listings in other areas were distributed evenly across CBRM.

The average number of bathrooms, number of people, and the occupancy cost were mostly consistent across CBRM. The largest gap between communities was the revenue, ranging from 8.4K (Zone L, Albert Bridge) to 22.8 K (Zone H, Sydney River). Zone



Air DNA Listing Zones (Source: FBM with data from AirDNA Marketfinder, July 2024)

H also had the highest number of days accommodations were available (234.5 days), while accommodation in Zones L and M had less than 100 available days on average.

Across CBRM, the average cost per night is \$187.7 with southern and western portions (Zones A, I, and K) being on the higher end. Most of the listings were categorized as "House" in AirDNA Marketfinder (n=296), with 72 apartments and 33 Bed & Breakfasts.

The province of Nova Scotia regulates these accommodations through the Short Term Registration Act (2020, renamed 2024). Under this Act, operators and accommodation platforms that rent for 28 days or less must complete the online registration every year by April 1. This requirement applies to most accommodations, including houses, apartments, condominiums, bed and breakfasts, and cottages. Owners of STRs must comply with municipal land use by-laws and include the registration number from the Registry in all listings on booking platforms.

Short Term Rentals

Market Overview: Cape Breton County

Market Performance 0 Submarkets 419 STR Listings



In recent years, Cape Breton Regional Municipality has actioned a number of initiatives aimed at improving the housing situation. As a municipal government, CBRM does not build housing, but they do enforce the building code and land use bylaws which shape the look and feel of communities.

In 2023, CBRM applied for and received Housing Accelerator Funding from the Canada Mortgage and Housing Corporation for eight initiatives aimed at building more homes faster. Many of these actions are already underway, including the establishment of an Affordable Housing Grant Policy in April 2024. This policy provides up to \$200,000 (\$20,000 per unit) for the development of affordable housing units where the rent does not exceed 30% of a tenant's gross annual household income.

In May 2024, Council also passed the Shared Dwelling License Bylaw which requires shared dwelling owners/operators to obtain a license to legally operate in CBRM and comply with all applicable CBRM bylaws along with Nova Scotia Building Code Regulations, National Building Code, and Fire Safety Regulations.

In spring 2024, CBRM launched two new initiatives aimed directly at housing. The first is aimed at developing pre-approved building designs which fit into CBRM's existing neighbourhoods and can be quickly built. The second is the development of a Housing Strategy to coordinate CBRM's housing efforts and chart a path for a better housing future. This report marks the start of this journey and the following pages record what we've learned so far through community engagement between June and July 2024.

CBRM Initiatives

CBRM Housing Accelerator Fund Initiatives

1. Community Climate Adaptation & Land Banking
 - Develop approach for land banking for affordable housing development and climate sensitive design
2. Transit Oriented Development & Promotion of High-Density Development
 - Regulatory changes to promote intensification and mixed-use housing in urban serviced areas
3. Parking Requirement Modernization
 - Creation of parking strategy and elimination of parking minimums
4. Affordable Housing Construction Program
 - Provide incentives for affordable housing projects
5. Infill & Gentle Density Initiative
 - Create pre-approved housing plans for small scale residential infill up to 6 units
6. Housing Incentives Initiative
 - Analyze and implement tax incentive program for residential development
7. E-Permitting System
 - Design and implement new online permitting system

Open House Findings

On June 18 & 19, 2024, four public open houses were held with two being in Sydney, one in North Sydney, & one in Glace Bay. The purpose of the open houses was to share information about CBRM's Housing Strategy and learn more about the community's experience with housing and vision for the future. Each open house began with a presentation and was followed by discussions using engaging questions to gather feedback from participants.

What we asked

The following questions were displayed on boards for feedback from participants. People wrote responses on sticky notes and added them to the boards. In some cases, we had conversations that touched on these questions or individual experiences with housing.

- What's your vision for housing?
- What's happening now?
- How would you describe CBRM's housing situation?
- What do you consider to be housing-related issues in CBRM?
- What opportunities do you see to increase housing across CBRM?

What we learned

The current housing situation was summarized by the words "dire" and "desperate" due to the low vacancy rates, increasing and hidden homelessness, lack of shelter options, lack of affordable housing, lack of rental units, and stories of people living in unsafe conditions.

Additionally, it was identified that there is not enough housing, particularly for students, seniors, and people who need accessible units. People expressed that they don't have choice when it comes to housing and that people are living with their extended families as a result. Another barrier to housing can be one's family name or reputation.

The three most identified housing related issues were:

- **Physical condition of existing housing** – Not all housing has been maintained and some housing has health and safety issues. The cost to renovate is too high for people to make upgrades.
- **Affordability** – There is a lack of affordable housing units and the people cannot afford what units are available on top of their other expenses.
- **Excessive distance to amenities** – People are limited to finding housing where transit is provided so they can access amenities such as grocery stores to meet their daily needs.

To improve housing, participants suggested CBRM explore different built forms of housing such as co-ops, condominiums, tiny homes, and houseboats. Other opportunities identified by participants include tax exemptions for affordable or supportive housing, incentives to renovate existing housing to include heat pumps, using surplus lands for housing, and future student housing. Further work is required to determine what actions are within CBRM's jurisdiction.

Focus Groups Findings

On July 15 & 16, 2024, two virtual focus groups were held, one with housing service providers & one with community organizations. The purpose of these meetings was to have in-depth discussions with people in roles related to housing to get a deeper understanding about the community's experience with housing. Each focus group was guided by open-ended discussion questions.

What we asked

The following questions were asked to each focus group to prompt discussions:

- How would you describe the current housing situation in CBRM?
- What challenges are people facing related to housing? What needs are going unmet?
- What role can CBRM play in meeting those needs?
- What opportunities are there to improve housing?
- What residential development incentives do you think would have the biggest impact in CBRM?

What we learned

At the focus groups, participants spoke about social, institutional, financial, and built environment barriers that exist. They also acknowledged that housing needs are interconnected with other needs and living expenses that affect people's ability to obtain housing. The challenges are summarized below:

- **Perception** - Negative sentiments and perception towards students and people experiencing homelessness and that they are causing the housing crisis.
- **Tenant Support** – Tenants are not connected to the supports that are available to them and do not know where to find this information.

- **Infrastructure** – Existing infrastructure cannot support higher density development and limits what housing can be built.
- **Housing Options** – There are limited options for downsizing and moving to a smaller house.
- **Maintenance & Repairs** – Housing falls into disrepair because people cannot afford repairs or upgrades.
- **Labourer Housing** – To build new homes there needs to be accommodations for labourers during construction.
- **Development Costs** – High development costs require high sales prices or rents.

Participants identified the follow opportunities to improve housing in CBRM:

- Exploring different built forms of housing such as pre-fabricated housing, mini/modular homes, and conversion of existing unused schools.
- Providing development incentives for increasing housing diversity.
- Increasing density within the downtown area.
- Real Estate firms creating rental branches to help people find appropriate rentals.
- Prioritizing awarding surplus lands to non-profits to create affordable housing.
- Rapid Housing Initiative can help non-profits create more affordable housing.
- Real Estate Investment Trusts (REITs) may be able to be developed to support condominium development.

As CBRM's role in housing is to create regulations and to facilitate the development process, participants suggested CBRM restrict Airbnbs to be owner-occupied, explore inclusionary zoning, create a winter housing strategy, collaborate with the non-profit sector, and reduce barriers (red tape) for developers. CBRM can support people experiencing homelessness by not removing tents encampments.

Community Survey Findings

The project team launched a community survey in June 2024 to explore local and municipal housing needs. The online survey was open from June 13th to July 12th 2024 and received 940 responses from across the municipality.

What we asked

The survey contained 17 questions grouped under three headings:

- Demographics
- Tell us about your experiences with housing: including but not limited too, what's your housing situation, what are your housing needs, what challenges prevent you from meeting your needs, what's your (gross) household income and how much of your household income do you spend on housing?
- Tell us about housing in CBRM: how would you describe the current housing situation, what opportunities do you see for improving housing, what do you consider to be housing issues in CBRM, and what is your long-term vision for housing in your community?

What we learned

Throughout the survey, respondents consistently reported housing affordability and availability as key housing concerns alongside lack of repair and maintenance. Many reported the current housing situation as a desperate crisis as housing becomes increasingly unaffordable for the average person.

Approximately 48% of respondents reported their housing needs were not being met by their current housing, with renters representing the majority. Approximately 56% of respondents reported spending more than 30% of their income on housing.

Across the open-ended survey questions, respondents expressed a desire for the following housing types (in approximate order of most to least commonly reported):

- Multi-unit buildings
- Apartments
- Student targeted housing
- Senior targeted housing
- Family housing and rentals (2-3 bedrooms)
- Co-operative housing
- Accessible housing
- Tiny homes
- Pet friendly housing
- Non-market housing options
- Starter homes
- Accessory Dwelling Units (ADU's)

The desire for a greater variety of housing types, more rental and ownership options, and lower cost of living were consistent themes across respondents. Of the opportunities identified to improve the housing situation, the majority fell into the themes of: systematic financial changes; incentives for new development; better utilize existing resources; and improve the rental situation.

As the project team continues to prepare the Housing Strategy, we are keenly aware that survey respondents want to see a housing strategy that addresses housing affordability both immediately and over the long term. It is necessary to establish clear housing targets that are within municipal jurisdiction and progress towards those goals must be communicated publicly in an accessible and transparent manner.

Housing Data

As of 2023, CBRM has a population of 101,908 people (45,592 households). The average household income is \$75,572 and the average dwelling value is \$197,205. The majority (63.3% / 33,679 dwellings) of the housing stock is single detached homes, with the second most common housing type being apartments under five stories (15.3% / 4,726 dwellings). The average number of bedrooms per dwelling is 2.76 with the majority (41.7%) being 3 bedrooms or 2 bedrooms (27.1%). Owners pay on average \$748 / month for housing costs compared to renters who pay an average of \$867 / month.

Approximately 8.2% of CBRM's population (3,633 households) are in core housing need. A household is in core housing need if its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30% or more of its before-tax income to access acceptable local housing.

Approximately 4,330 (9.5%) homes are in need of major repairs and 7,124 households (16%) are spending 30% or more of their household income on shelter costs. While 30% of the average household income is \$1,889 / month, this reflects a household's before tax income. CBRM's affordability threshold for is likely far lower. Survey respondents consistently reported on the significant increase in housing costs in recent years due to population growth, lower residential vacancies, higher taxes, and higher electricity costs. The increasing cost of living has placed a burden on many CBRM households which directly contributes to housing insecurity.

Attribute	Benchmark		CA (225): Cape Breton, NS		
	value	percent			
	value	percent			
HOUSING SUITABILITY					
Total number of occupied private dwellings by structural type of dwelling	455,208		45,592		
Suitable	439,568	96.56%	43,877	96.24%	100
Not suitable	15,640	3.44%	1,715	3.76%	109
MAINTENANCE					
Only regular maintenance or minor repairs needed	418,174	91.86%	41,261	90.50%	99
Major repairs needed	37,034	8.14%	4,330	9.50%	117
HOUSING COSTS					
Total number of owner and tenant households spending 30% or more of total household income on shelter costs	80,863	17.88%	7,124	16.03%	90
Total - Households with household income greater than zero and shelter-cost-to-income ratio less than 100%	452,246		44,430		
In core need	44,673	9.88%	3,633	8.18%	83
Not in core need	407,573	90.12%	40,797	91.82%	102
Owner households in non-farm, non-reserve private dwellings	301,836		31,562		
% of owner households spending 30% or more of total household income on shelter costs		7.52%		7.21%	96
% in core housing need		2.52%		1.28%	51
Average monthly shelter costs for owned dwellings \$	\$882.00		\$748.00		85
Tenant households in non-farm, non-reserve private dwellings	150,410		12,868		
% of tenant households in subsidized housing		8.58%		20.16%	235
% of tenant households spending 30% or more of total household income on shelter costs		31.78%		26.83%	84
% in core housing need		17.35%		12.73%	73
Average monthly shelter costs for rented dwellings \$	\$1,123.00		\$867.00		77

Summary of key housing figures (Source: FBM and Manifold Data Mining Inc, data vintage 2023/2024).

Index	Description
>= 180	Extremely High
>=110 and <180	High
>=90 and <110	Similar
>=50 and <90	Low
<50	Extremely Low

Interpretation: Header rows span all columns and are shown as bold black text. Each indented row represents a subset of the data above. For example, the 'tenant households in non-farm, non-reserve dwellings' row shows there are 12,868 tenant households in CBRM. All indented rows below that row reflect information about those households only.

Note: 'Non-farm' refers to all households which are not on farm lands.

What is CBRM's Housing Future?

While no one can be certain of the future, there are a number of changes happening federally, provincially and across Cape Breton that will impact the future of housing in CBRM, and which will influence the development of this Housing Strategy.

At a federal level, the Canadian government announced in January 2024 that there would be a 2 year cap on **international student** permits in response to the housing crisis across the country. Each province has been allocated a maximum number of permitted students, with Nova Scotia having a maximum of 12,900 across universities and colleges¹.

¹ NS Advanced Education, Nova Scotia Implements Federal Cap on New International Student Applications, 2024

International students play an important role in Nova Scotia's economy and as of February 2024, universities across Nova Scotia must prepare international student sustainability plans detailing how students will be supported and housed.

Meanwhile, the NS Department of **Municipal Affairs and Housing** is also continuing to deliver affordable housing programs to those in need. Their business plan for 2023-24 includes increasing using provincial land to increase housing supply and building capacity within the Community Housing sector.

Separately, the Nova Scotia **Provincial Housing Agency** is starting the construction of 222 new housing units, developing a 3-year accessibility plan, publishing their Energy Management Plan, and targeting improvements on 120 units by year end 2025 under their Deep Energy Retrofit Program².

² NSPHA 2024-2025 Business Plan

Provincial Direction



Our Mission

Improve the delivery of public housing so more Nova Scotians have a place to call home.

Our Vision

Make a difference in the lives of those we serve and be recognized as leaders in how we deliver our services.

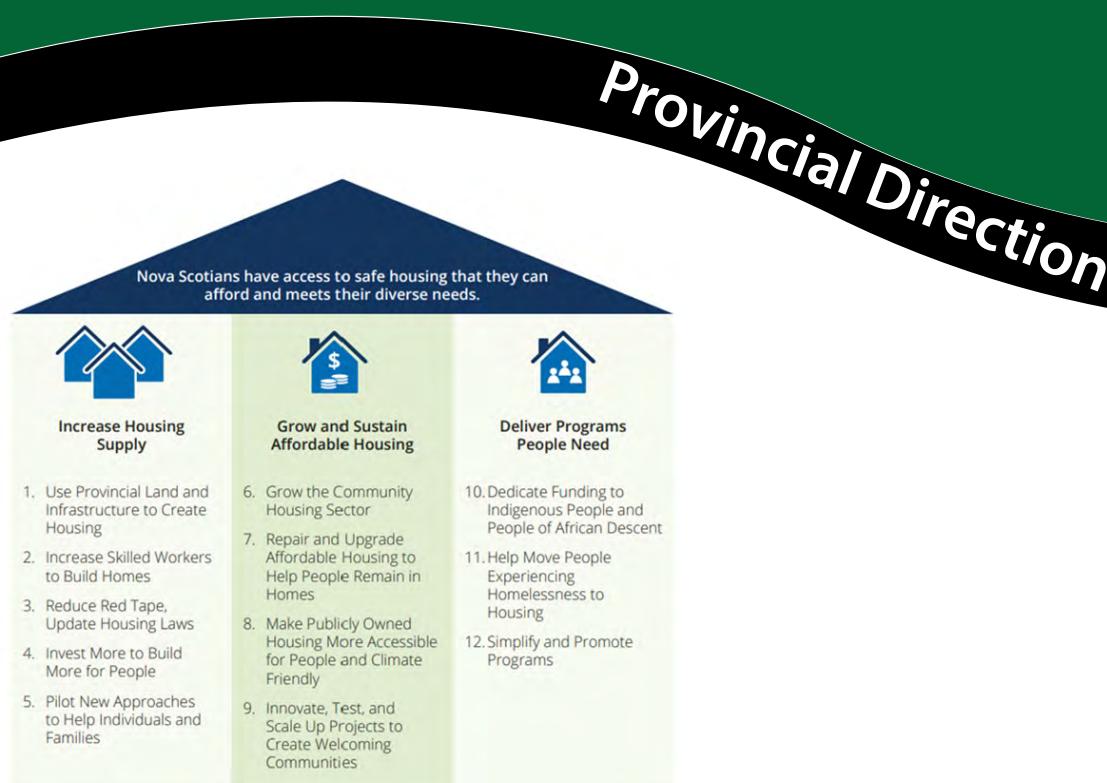
Nova Scotia Provincial Housing Agency Mission, Vision and role in housing spectrum (Source: NSPHA 2024-2025 Business Plan)

Our Homes, Action for Housing (2023) is a provincial housing strategy for Nova Scotia outlining the Province's commitments to encourage housing development. The underlying vision for this Plan was: "Nova Scotians have access to safe housing that they can afford and meets their diverse needs" (p 3).

Twelve key actions were outlined to meet this vision for Nova Scotia. Increasing housing supply, growing and sustaining affordable housing, and delivering programs to people in need were the foundations of the Plan.

The Plan also highlighted development targets for CBRM:

- Use Provincial Land and Infrastructure to Create Housing: The Plan's goal was to invest over \$80 million in the next five years to construct a total of 222 new public housing on government owned land. In the Plan, CBRM was included in one of the five regions where the new units would be built.
- Repair and Upgrade Affordable Housing: This goal was to support "Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth." The Plan highlighted that over 200 existing public housing units in CBRM "[would] receive energy efficiency improvements", including "installing insulation, air-sealing systems, and efficient water heaters, and converting oil-fueled heating systems to electric heat pumps" (p 26).



Key Actions for Housing Development in Nova Scotia (Source: Our Homes, Action for Housing: A Five Year Housing Plan, 2023)

Under the **Unama'ki - Cape Breton Economic Development & Population Growth Plan (2024)**, the housing deficit and infrastructure gaps were recognized as a weakness for the region, while opportunities exist in building new and innovative housing such as modular housing and utilizing new materials. The Plan recognized that in order to achieve population growth and sustain the population, Cape Breton will need to attract thousands of young families to the region while also embracing new industries and attracting working age newcomers to offset Cape Breton's aging workforce. With an ambitious target of 1.3% population growth per year, the Plan sets a bold new path for Cape Breton. As of 2023, CBRM's current projected population growth is 0.23% (+691 people) annually over the next 3 years¹.

1 FBM & Manifold Data Mining Inc (data vintage 2023/2024)

This projection is likely low given CBRM's recent population growth and plans to reduce long term population decline. The Population Growth Plan identifies CBRM as a key location for accommodating population growth². Actions under the Plan's Pillar 4: Strong Communities include providing support to municipalities in creating housing development plans and promoting areas for private-sector investment.

As CBRM looks towards the future, upcoming developments include but are not limited to:

- New Dawn Pine Tree Park Pallet Village (Sydney)
- New Dawn Rapid Housing Initiative: Eleanor's Court (Sydney)
- Edgewater hotel and apartment complex (Sydney)
- Apartment's on former Welton Street Sports Field (Sydney)
- Tartan Downs Housing Development (Sydney)
- Cossitt Heights (Sydney)

2 Unama'ki - Cape Breton Economic Development & Population Growth Plan, 2024

Unama'ki - Cape Breton needs to foster a culture of optimism. After 40 years of population decline, we must believe growth is possible.

Population Growth Target:	Projected outcome:	Implications:
Population growth enough to boost the workforce by 0.5 per cent per year	The population needs to grow to 173,000 by 2042 (+30 per cent or an average of 1.3 per cent per year). The workforce grows to 74,200 (an average of 0.5 per cent per year).	This modest increase in the size of the workforce will support export-focussed industries and should allow for new industries to develop. The region will need to attract at least over 2,000 (net) more people on average per year to achieve this population growth (annual average of 1.3 per cent).

Population growth target and Plan pillars (Source: Unama'ki - Cape Breton Economic Development & Population Growth Plan, 2024)

Pillars/Goals		
	1	People: A growing population with a focus on workforce development.
	2	Inclusion: An economy that works for everyone.
	3	Reconciliation: Reconciliation through economic development partnerships.
	4	Strong communities: Capacity to support growth throughout the region.
	5	Entrepreneurship and business growth: A culture of entrepreneurship and high-quality companies.
	6	Innovation: A resilient, progressive economy.

What could be the vision for housing?

Throughout the first phase of engagement we asked community members "What's your vision for housing?" Key themes that came up were:

- **Housing for all** – A variety of housing options are available for everyone including housing for students, seniors, families and those currently experiencing homelessness.
- **Affordable** – Less than 30% of income is spent on housing. Affordable housing options for a range of incomes are available.
- **Accessible** – Housing that meets the needs of those with accessibility requirements is available.
- **Equitable** – Housing for people with the greatest housing needs is prioritized.
- **Safe & Welcoming** – People are not exposed to hazards in their homes and feel welcome to live in the community.
- **Partnership & Advocacy** – CBRM partners with non-profits to enable affordable housing and advocates to other levels of government for supports.

At this stage we are sharing the elements the community has identified as important when creating a vision. These elements, along with research and best practices, will inform the vision for the Housing Strategy. As the project continues and further conversations are had with the community, the vision will continue to evolve. The vision will be used to develop goals, objectives, and action items in the Housing Strategy.

As we continue into phase 2, we will consider how the CBRM's housing vision and Strategy can support a range of housing options including safety net housing, housing with supports and market housing (all the elements of the Housing Wheel). This work will build on the work of CBRM Forward in enabling more housing types and also CBRM's Housing Accelerator Fund initiatives including pre-approved housing plans.



Housing Wheel (Source: City of Vernon, Housing Action Plan, 2023)

"Investments in good housing and in keeping people housed are also investments in the well-being of local residents"
- Leviten-Reid & Horel, Living in Rental Units and Rooming Houses in the CBRM: Tenants And Tenant Experiences, 2016

What's next for this project?

In this report, we are sharing a summary of the information and data we have collected to date. As data is further examined, an updated report may be produced, or refined information may be used to develop the Housing Strategy.

In the second phase of the project, we will explore potential ways the municipality can incentivize residential development. This will involve reviewing case studies and applicable policy and regulations, as well as examining the financial feasibility of providing residential development incentives. Community and stakeholder engagement will also happen again in phase 2 & 3.

Phase 1

Phase 2

Phase 3

Phase 4

Local Housing Needs & Issues

May-Aug 2024

- Fieldwork
- Background review
- Community engagement
- What We Heard Report

Residential Incentive Research

Aug- Nov 2024

- Incentive research
- Policy and regulatory review
- Financial feasibility assessment
- What We Heard Report

Incentive Program Development

Nov 2024 - Mar 2025

- Program design
- Surplus land analysis
- Land banking framework
- What We Heard Report

Housing Action Plan

Apr 2025- July 2025

- Process reflection
- Draft Housing Strategy
- What We Heard Report
- Final Housing Strategy

Community engagement
June-July

Community engagement
Fall/Winter

Community engagement
Spring

For ongoing project updates and to contact the project team, visit

www.cbrm.ns.ca/housing-strategy