

## 4.0 Population and Housing Profile and Projections

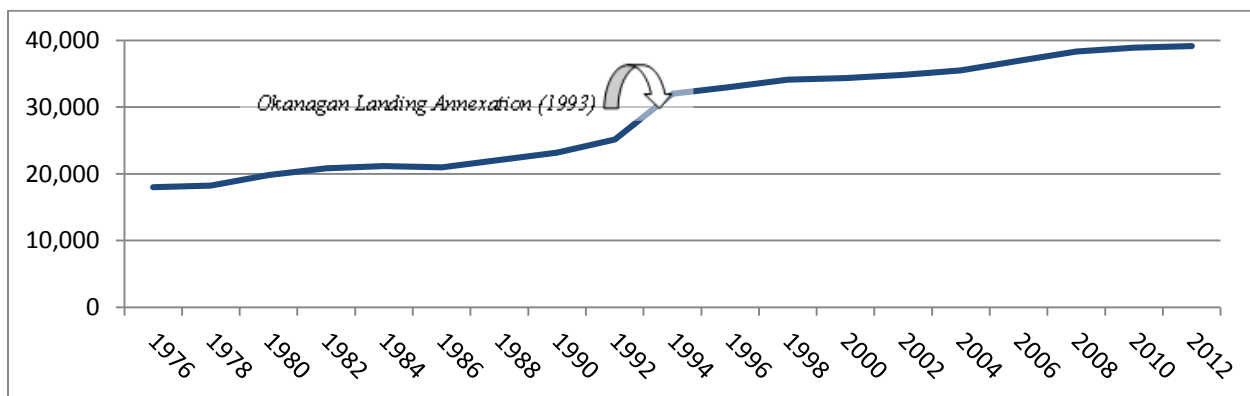
This section provides contextual information on the current population, demographics and housing stock, as well as population and housing projections for a 25 year period.

### Population Profile and Projections

As indicated in Figure 1, Vernon has experienced significant population growth, particularly over the last ten years. According to Statistics Canada, with the City's boundary extension in include the Okanagan Landing area in 1993, the population of Vernon had grown to 32,165 residents by 1996. The population of Vernon continued to grow and in 2011 was 38,150. The 2006 population represented a 6.1% growth rate over the previous five years. However, while the growth since 2001 has been quite high, much of that growth took place the years between 2005 and 2008. Population growth slowed significantly after 2008. The population growth trend depicted in Figure 2 for 1976 – 2011 demonstrates the continued population growth as well as the population change due to the Okanagan Landing boundary extension in 1993.

<b>Year</b>	<b>Population</b>	<b>5 Year Growth Rate</b>
1976	17,984	n/a
1981	20,500	2.8%
1986	20,962	0.5%
1991	24,112	3.0%
1996	32,165	7.4%
2001	33,542	4.1%
2006	35,944	6.7%
2011	38,150	6.1%

From 2001 to 2011, the city's population grew by an average 1.37% a year, which included boundary extensions during that period.



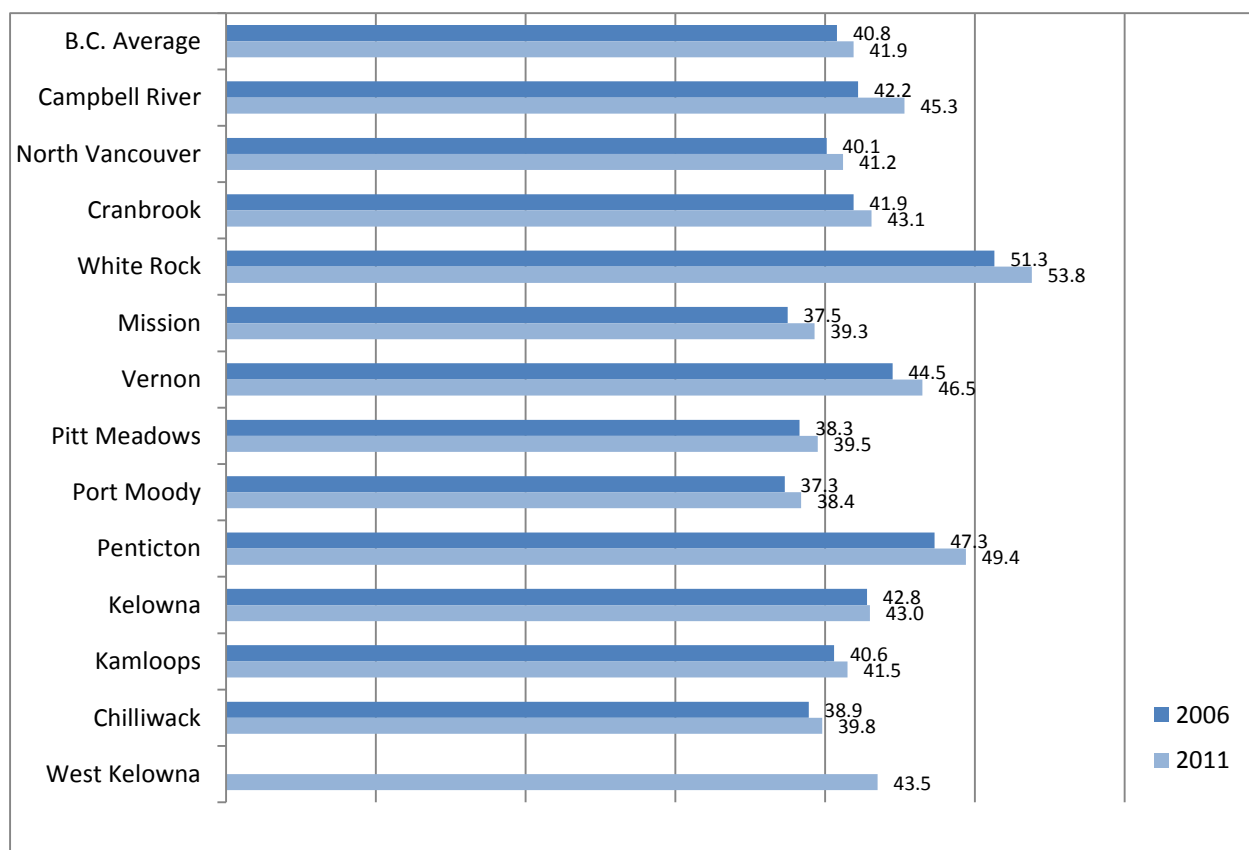
**Figure 2 – Population Growth, 1976-2011**

Planning in Vernon necessitates consideration of the population base immediately surrounding the City which is referred to as the Greater Vernon Area. Comprised of the City of Vernon, District of Coldstream, Okanagan Indian Band Reserves No. 1 and No. 6 and the newly adjusted boundaries of Electoral Areas B and C of the Regional District of North Okanagan, the Area's total population in 2011 was 58,055. The breakdown by location is shown in Figure 3.

Jurisdiction	2006 Census	2011 Census
City of Vernon	35,944	38,150
District of Coldstream	9,471	10,314
Electoral Areas "B" & "C"	7,158	6,918
Okanagan Indian Band Reserve No. 1 & No. 6	2,845	2,673
<b>Total Greater Vernon</b>	<b>55,418</b>	<b>58,055</b>

According to the 2011 Census, the median age of Vernon's population is 46.5 years old, up from the 2006 figure of 44.5. Vernon's median age is 4.6 years higher than the B.C. average of 41.9. Among twelve benchmark B.C. communities, only Penticton and White Rock have higher median ages (Figure 4).

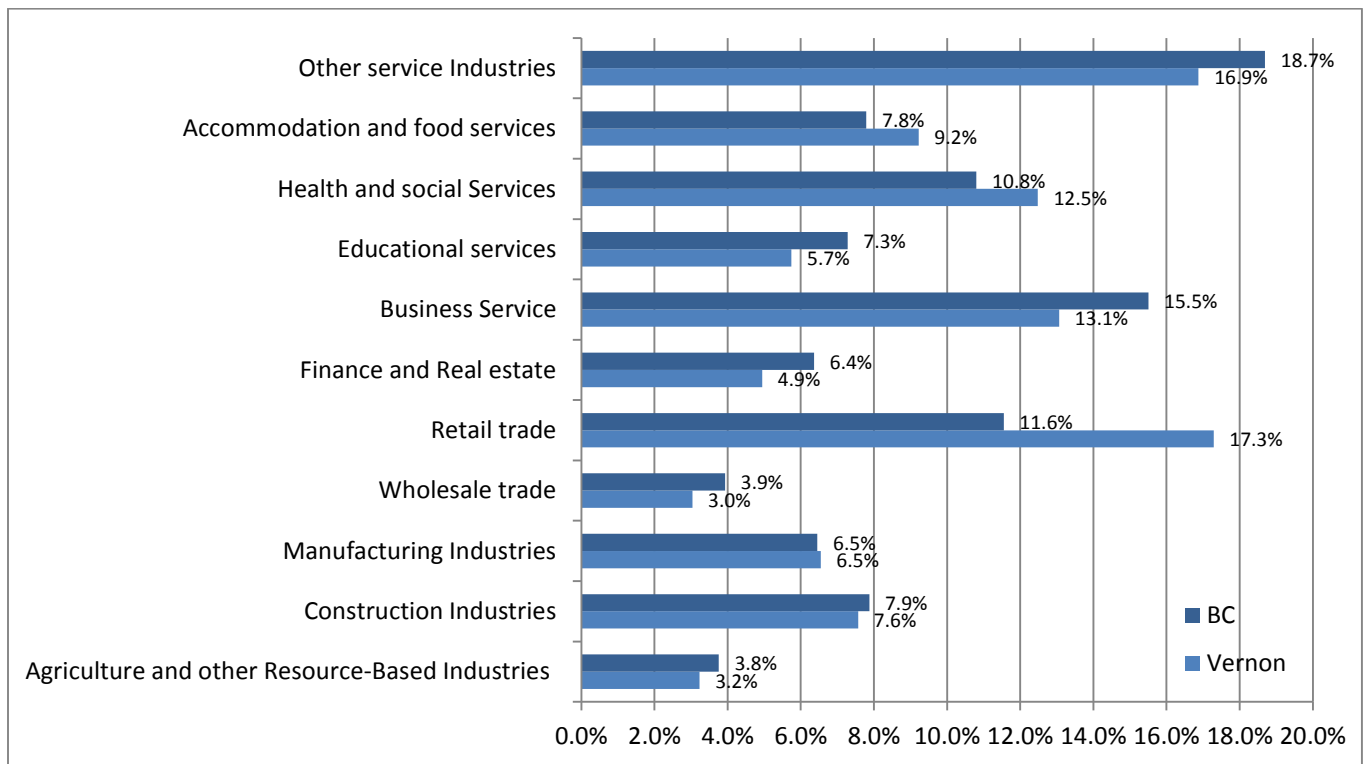
Between 1976 and 2011, the proportion of the population aged 65 and older in Vernon increased from 14% to 23.1%. The 2011 BC proportion was 15.6%. This trend will continue to increase significantly as the Baby Boom generation ages into the 65 years of age demographic and older. In 2012, the first Baby Boomers had already turned 65.



**Figure 4 – Median Population Age, 2006 and 2011**

## Employment

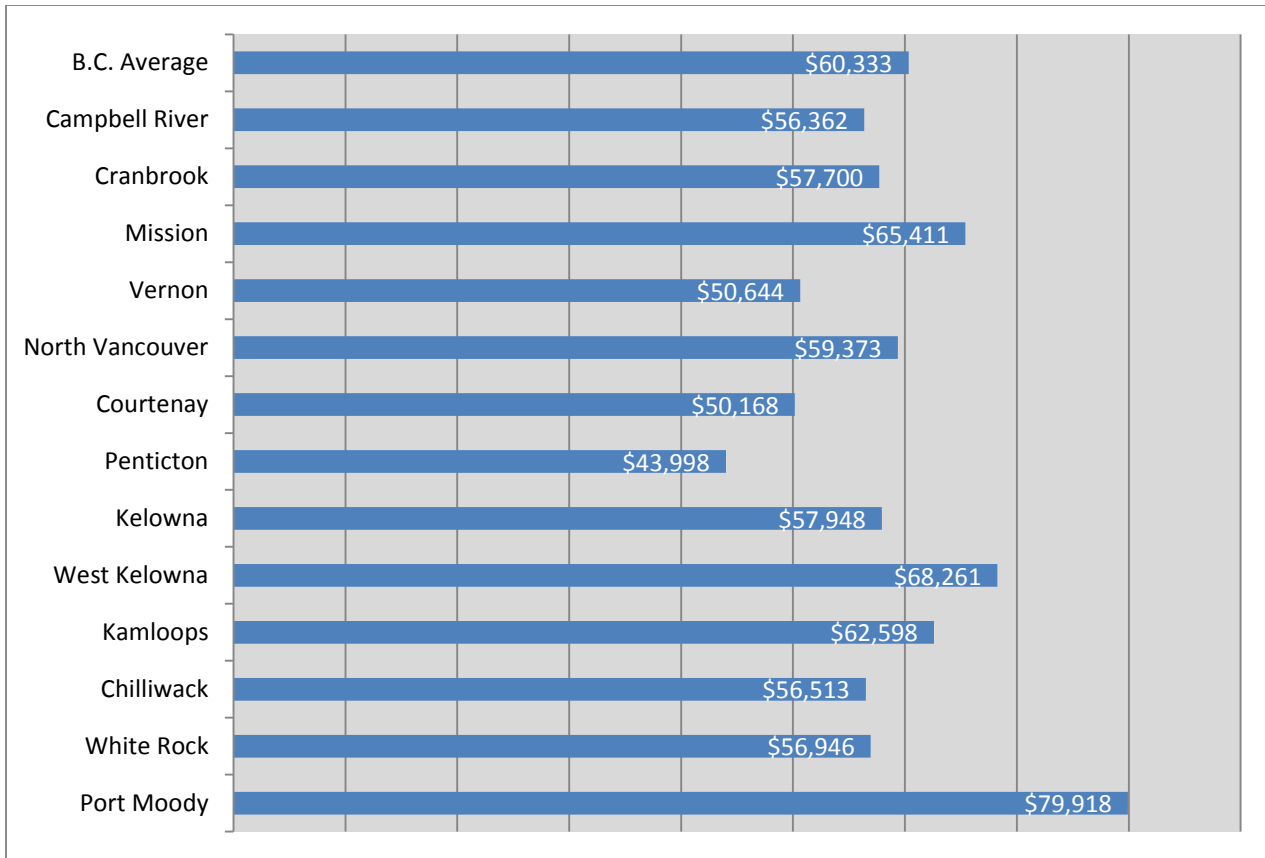
According to the 2011 National Household Survey, the largest employers in Vernon are retail trade, business services, health care and social services and accommodation and food services. These four sectors account for approximately 52% of the jobs in Vernon. According to the 2006 Census, these four sectors succeeded in keeping on the same portion with approximately 53% of the jobs in Vernon. Vernon's employment is higher than the provincial average in three sectors - the retail trade, health and social service and accommodation and food services. Of note is the decrease in the manufacturing sector, which since 1996, has shrunk by more than 30%. Statistical information for the employment sectors is presented in Figure 5.



**Figure 5 – Employment, 2011**

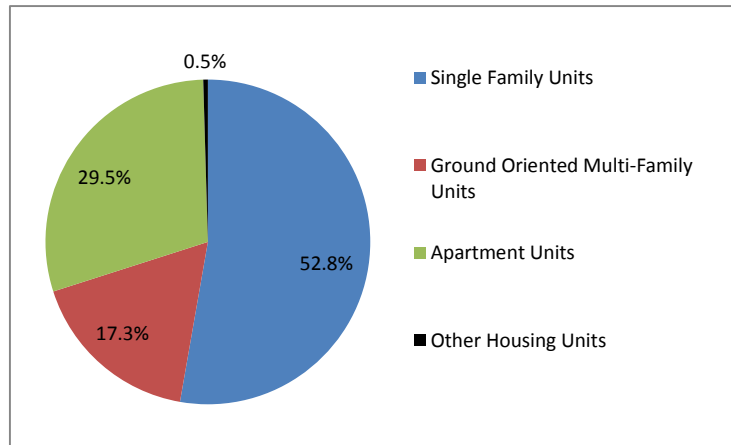
## Income Levels

The median family income of people living in Vernon is \$50,644, lower than the provincial median of \$60,333. It is approximately \$7,000 per year lower than the median family income in Kelowna, and approximately \$6,000 higher than Penticton. See Figure 6 for a comparison of median family incomes in benchmark B.C. communities, including the provincial average.



**Figure 6 – Median Family Income, 2011**

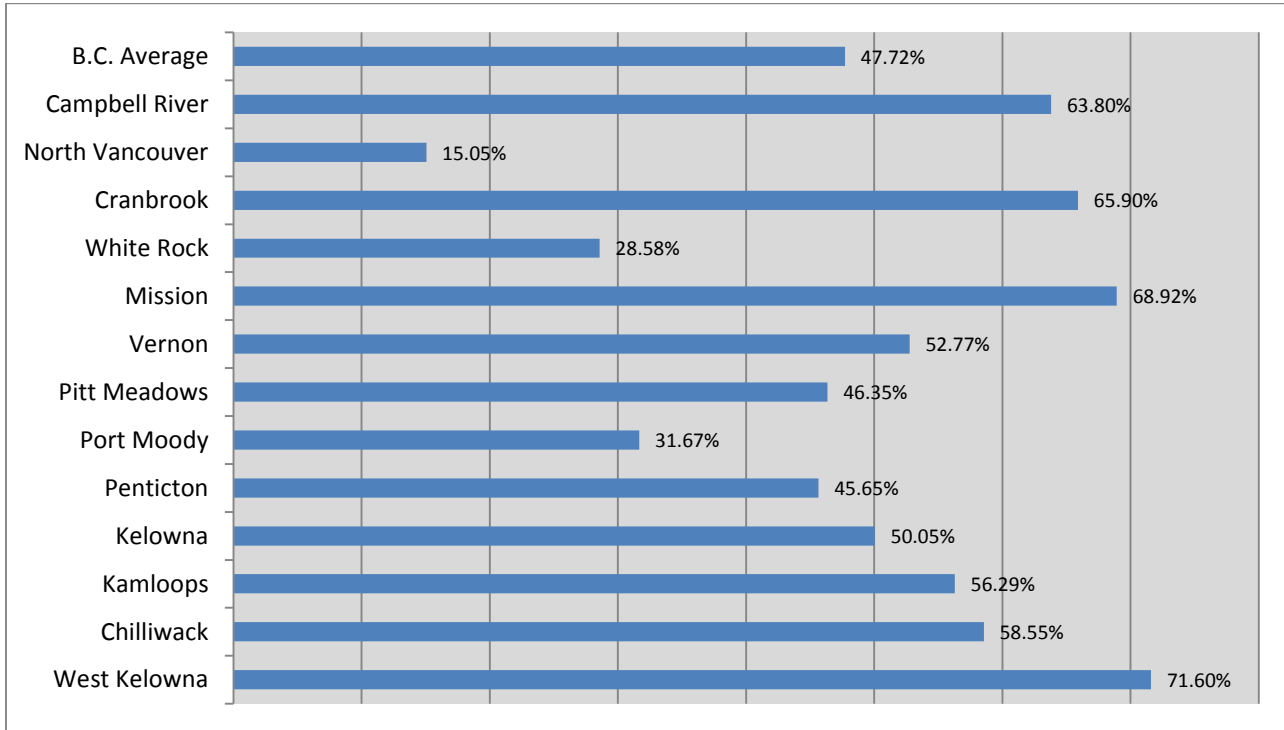
According to the 2011 Census, the housing stock in Vernon totals 16,430 units, of which 52.8% are single family houses, 17.3% ground oriented multi-family units (semi-detached, row housing, etc.), 29.5% apartment housing and 0.5% are other forms of housing. The percentage of single family homes has increased since 2006 when it was 51.2% (Figure 7 depicts the percentage of housing types for 2011 in Vernon).



**Figure 7 – Vernon Housing Types, 2011**

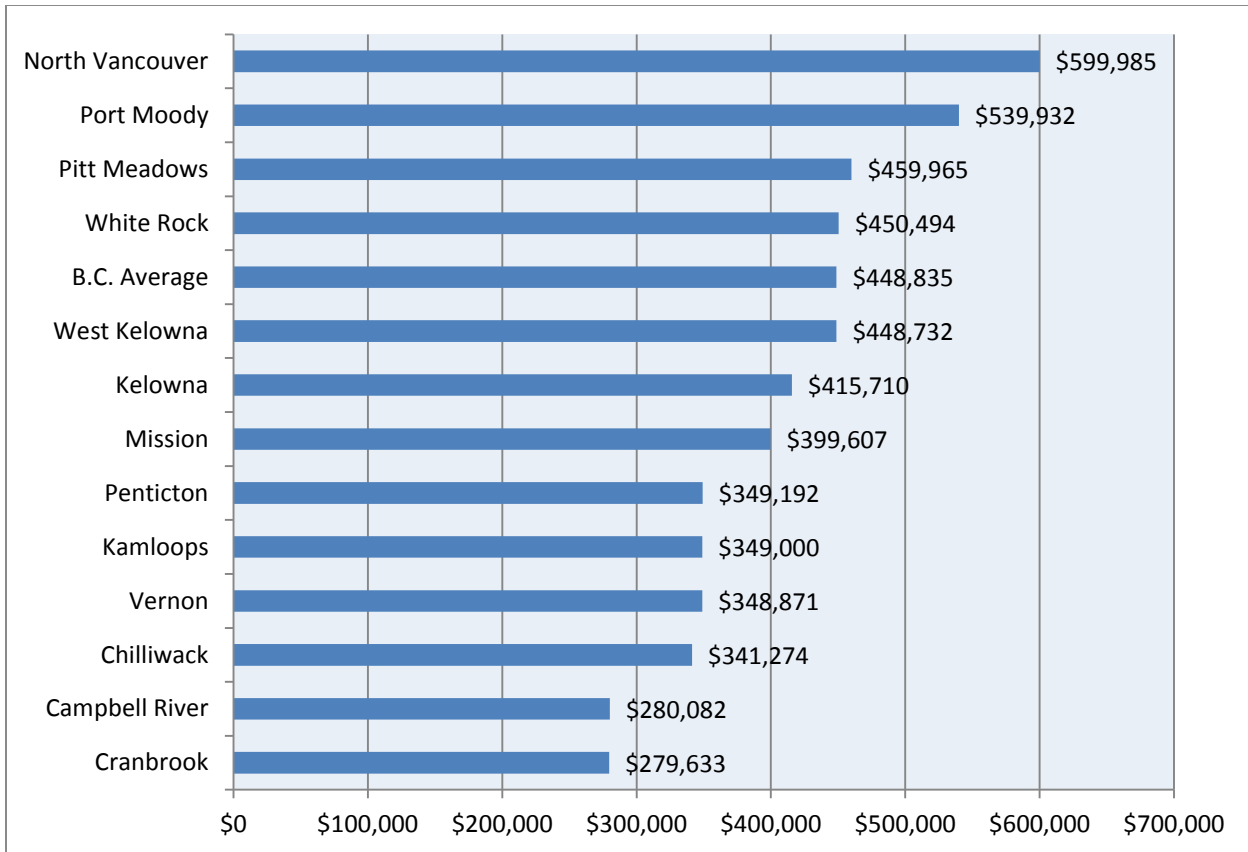
## Housing

Vernon has a higher percentage of single family homes than the B.C. average. As depicted in Figure 8, five of the benchmark B.C. communities have higher percentages than Vernon, while six are lower. Kelowna has the same proportion of single family homes as Vernon.



**Figure 8 – Percentage of Single Family Units, 2011**

The B.C. median value of an owned dwelling unit in 2011 was \$448,835, up somewhat from the 2001 median value of \$418,703. As depicted in Figure 9, eight of the twelve benchmark communities have higher average owned dwelling unit values than Vernon. The median value of owned dwellings in Vernon according to the 2011 National Household Survey is \$348,871.



**Figure 9 – Average Value of an Owned Dwelling Unit, 2011**

In 2011, approximately 71% of units in Vernon were owner occupied (11,690), while 29% were rented (4,730). This represents a higher rate of home ownership than in 2006, when 69% of all dwellings were owner occupied. The 2011 B.C. average percentage of owner occupied residential units was 70%, while 30% are rented.

The average number of people per dwelling unit in 2011 was 2.2, lower than the B.C. average of 2.5. The average number of people per dwelling unit in 1976 was 2.7, in 1986 it had dropped to 2.3 where it remained until 2006. It is anticipated that the trend of a decreasing number of people per dwelling unit will continue through to 2036 due to people in the community having fewer children and the immigration of older people whom are empty nesters.

## Population & Housing Projections

As Vernon’s population continues to age, it will continue to experience a net natural decrease as the number of people who pass away each year in the community exceeds the number of people born. Vernon’s population growth to 2036 will therefore be driven by net migration of people to the city.

There are a number of factors that influence migration into the Okanagan and Vernon. Some of these are positive factors which attract new residents, including:

- Livability: climate, lifestyle, scenic vistas, high quality recreational facilities and an appealing setting
- Healthy provincial and national economies: energy and resource sector boom in BC and Alberta, in particular
- Local employment: Vernon serves as the regional service centre for the north Okanagan

Other factors have the potential to constrain migration to our community, including:

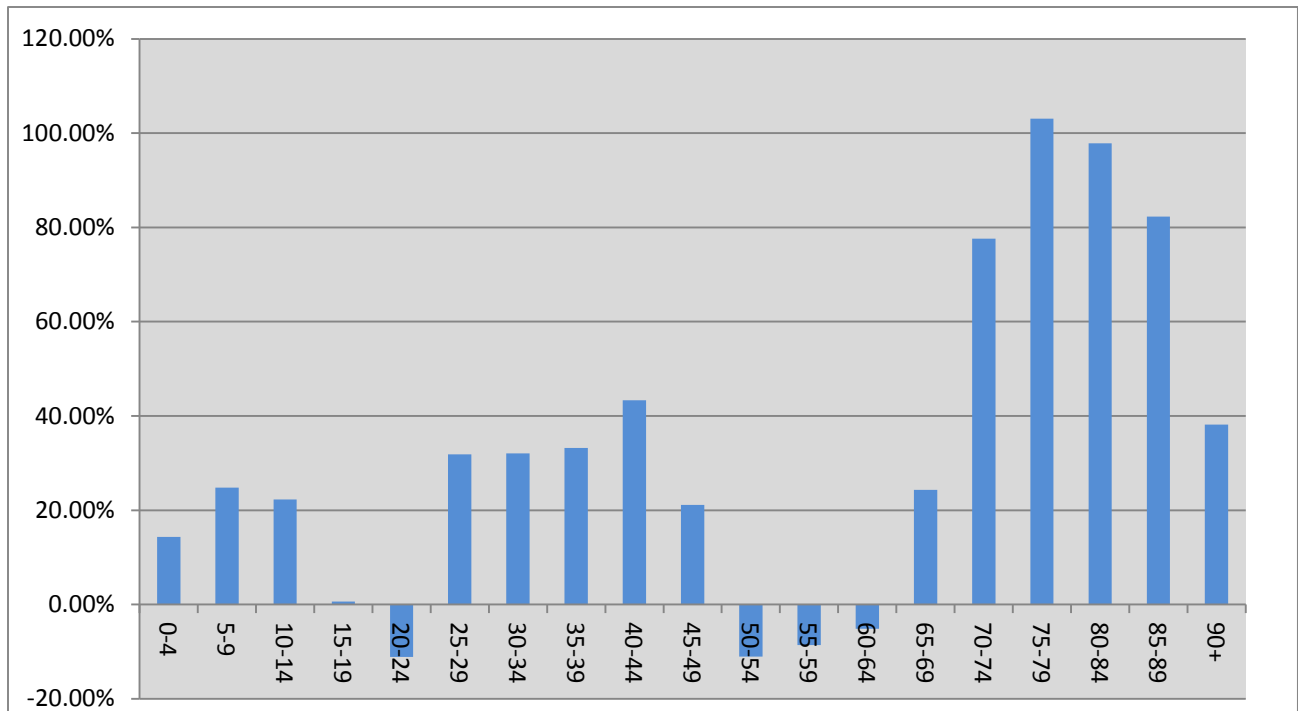
- Increasing housing costs which make it difficult to enter the housing market
- Rising energy costs can affect the attractiveness of Vernon for people who commute to other areas of the region
- Lack of high paying employment sectors

From 2006 to 2011, the population increased by an average of 1.3% per year. Much of this growth has been driven by the first cusp of the Baby Boomers coming to the Okanagan from throughout Canada to retire. The population growth is also driven by young families seeking lifestyle, amenities and housing not available in large urban centres. Growth also equates to available jobs in construction and manufacturing, as well as services such as retail, health, finance and business.

Between 2001 and 2008, Vernon's population grew rapidly. However, since 2009 population growth has slowed. Further, there will be a growing impact of the net natural decrease in the population. From 2012 to 2016, the expected annual growth rate is slightly higher than 1%. This slowing trend will continue beyond 2016 as population growth slows to less than 1% per year.

This equates to a 25 year average annual growth rate of 1%. The 2011 Census population for Vernon is 38,150. By 2036, the population is projected to increase by 9,850 people to 48,000.

BC Stats projections for the Vernon Local Health Area indicate that the proportion of the population 65 years and older is expected to increase to 35.54% by 2036, with a corresponding reduction in the proportion of the population under the age of 25. In 2011, 27.7% of the population was under 25. By 2031, only 24% of the population will be under 25, if the projected trends continue.



**Figure 10 – Vernon Projected Population Changes by 5 Year Age Groups, 2011-2036**

According to the 2011 Census, Vernon had 16,430 dwelling units. By 2036, the number of dwelling units is projected to increase by 4,300 units to 20,735 dwelling units. In 2011, 31.7% of Vernon’s households were single person households, compared to the provincial average of 28.3%. The form that new housing units will take will be important in meeting the needs of existing and future residents. For this purpose, a Housing Needs Assessment was undertaken to determine not only the expected number of units needed in the next 25 years, but why types of units would be needed and where.

Among the findings of the Housing Needs Assessment:

- Vernon has an unusually high supply of land either pre-zoned or subdivided and available for residential development, most of which is in hillside neighbourhoods. Depending on the number of annual housing starts over the next 25 years, this supply could last between 23 to 45 years.
- The housing types anticipated in these neighbourhoods do not meet the needs of all residents. Many two income families, and most single parent, low income and seniors, would not see their needs met by this housing type, either due to affordability or because the predominant type of housing in these neighbourhoods (detached single family) is not the housing type these groups are seeking.
- Affordability remains a challenge. A couple aged 25-34 making the median income for Vernon would be able to purchase a unit in a multi-family development or a mobile home, but not a single family home at the average sales price. There are, however, large variations in housing price in different neighbourhoods.
- Lone parent families and seniors earning median incomes would have to compromise life essentials to even afford to rent a one bedroom apartment.



- The housing stock in Vernon needs to be further diversified, particularly to meet the anticipated needs of single parent and seniors.

The findings of the Housing Needs Assessment suggest that greater provision of smaller homes, ground oriented multi-family housing and senior's housing is needed to meet the future needs of the community. The declining average number of people per dwelling unit, coupled with rising housing costs and an aging population, will also result in a stronger market for ground oriented multiple family and apartment housing (the average number of people per dwelling unit is projected to continue to fall but only slightly below the 2011 number of 2.2). As housing costs rise, more families will seek multiple family options. In addition, the aging of the population will result in more people seeking smaller units.



**Figure 11 – Housing by Type, 2001 – 2036**