



The Corporation of the District of Central Saanich

REGULAR COUNCIL REPORT

For the Regular Council meeting on Monday, September 9, 2024

Re: Interim Housing Need Report

PURPOSE:

The purpose of this report is to provide Council with an interim housing needs report to meet legislative requirements and ensure that the necessary data is available for current grant opportunities. A full Housing Needs Report will be prepared by January 1st, 2025.

BACKGROUND:

In late 2023, the Province of British Columbia introduced significant changes to the Local Government Act to address the ongoing housing crisis and expand housing options across the province. Bill 44, the Housing Statutes (Residential Development) Amendment Act, mandates that all local governments update their housing needs reports using a standardized methodology over a 20-year time frame. This approach aims to provide a clearer understanding of housing needs throughout British Columbia and better equip municipalities to address these challenges.

Municipalities are required to complete Interim Housing Needs Reports (HNR) by January 1, 2025, using the new standardized HNR Method. Local governments may fulfill this requirement by updating their most recent Housing Needs Report to include three new, additional items:

- The number of housing units required to meet current and anticipated need for the next 5 and 20 years, as calculated using the HNR Method provided in the Regulation.
- A statement about the need for housing near transportation infrastructure that supports walking, bicycling, public transit or other alternative forms of transportation; and,
- A description of the actions taken by the local government, since receiving the most recent Housing Needs Report, to reduce housing needs.

The first “regular” Housing Needs Reports must then be completed by December 31, 2028, and every five years thereafter. These changes will help local governments, and the B.C. government better understand and respond to housing needs in communities throughout B.C.

DISCUSSION:

Housing Need

The number of housing units that the District will need to create was calculated using the Housing Needs Report (HNR) Method prepared by the Province. The HNR Method consists of six components, which are added together to provide the total number of housing units needed in a municipality or regional district electoral area.

These include:

- Supply of units to reduce extreme core housing need (those paying more than 50% of income for housing);
- Supply of units to reduce homelessness.
- Supply of units to address suppressed household formation;
- Supply of units needed to meet household growth over the next 5 or 20 years;
- Supply of units needed to meet at least a 3% vacancy rate; and,
- Supply of units needed to meet local demand (the “demand buffer”). This component is only included for municipalities.

Figure 1 outlines the number of units needed to meet housing need in the District and is included in the Interim Housing Need Report.

Central Saanich DM (CSD, BC)		
Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	60.66	242.66
B. Persons Experiencing Homelessness	43.19	86.38
C. Suppressed Household Formation	82.52	330.09
D. Anticipated Growth	724.14	1,990.64
E. Rental Vacancy Rate Adjustment	5.22	20.90
F. Additional Local Demand	201.26	805.06
Total New Units – 5 years	1,117	
Total New Units – 20 years		3,476

Figure 1

Unlike the Provincial Housing Target order that was issued to the District in the Spring of 2024, the HNR Method includes a demand buffer to ensure that the HNR Method, in calculating the total number of units needed over 5 and 20 years, accounts for units required to meet “healthy” market demand in municipalities. The demand buffer essentially builds in the extra capacity that is needed to meet healthy market demand – which is needed to provide more housing choices. This helps accommodate fluctuations in market conditions and ensures a diverse range of housing options for residents. Examples of the kind of demand for extra capacity include households seeking homes closer to jobs and schools, growing families looking for larger homes, and seniors looking to downsize in their existing communities. This buffer contributes to the discrepancy between the District’s Housing Need and Housing Target.

The full Interim Housing Needs Report can be found in Appendix A.

Bill 44 & Housing Needs Assessment Report

The interim report provided today serves as a temporary measure to position the District effectively for federal funding opportunities. Under Bill 44, municipalities are required to align zoning bylaws with their Official Community Plans and Housing Needs Reports to pre-zone for the total housing required by their communities by December 31, 2025. This process is set to begin in January 2025 and will benefit from the most current housing needs data. To support this, staff plan to complete a full Housing Needs Assessment by the end of 2024, ensuring the District can accurately plan and prepare for these future

projects with comprehensive housing-related data. Further guidance on this will be released by the Province in the Fall.

OPTIONS:

Option 1 (recommended):

Receive the District of Central Saanich Interim Housing Needs Report.

Option 2:

Provide alternative direction

CONCLUSION:

The Interim Housing Needs Assessment Report will assist the District in understanding shifts in housing demand, addressing recent Provincial housing legislation, and identifying the types of housing most needed in our community now and in the future. These insights will inform the review of the Official Community Plan and zoning bylaw, and will be further refined with a comprehensive housing needs assessment to be completed by the end of the year.

Report written by:	Julie Bull, Community Planner
Respectfully submitted by:	Jarret Matanowitsch, Director of Planning and Building Services
Concurrence by:	Christine Culham, Chief Administrative Officer

ATTACHMENTS:

Appendix A: Interim Housing Needs Assessment