

COUNCIL REPORT

To: Mayor and Council

From: Administration

Date: December 3, 2024

Subject: Interim Housing Needs Report

RECOMMENDATION:

THAT the 2019 District of Mackenzie (District) Housing Needs Report be updated to include the Interim Housing Needs Report in Attachment A as Appendix B;

AND THAT the updated 2019 District of Mackenzie Housing Needs Report be published on the District's website to fulfill the District's requirements under the *Local Government Act*.

BACKGROUND:

The purpose of this report is to provide Council with an Interim Housing Needs Report (IHNR) to meet legislative requirements and ensure that the necessary data is available for grant opportunities.

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. In June 2024, the Province released its new IHNR requirements.

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 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.

Housing Need Method

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
- 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

The following table sums the listed components and rounds the totals to the nearest whole number to determine the total number of new homes needed in the next 20 years, according to provincial guidelines. It also displays 5-year housing need estimates using the multipliers provided in the provincial guidelines and BC Stats household projections from 2021 to 2026.

Mackenzie DM (CSD,BC)		
Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	5.10	20.42
B. Persons Experiencing Homelessness	22.55	45.09
C. Suppressed Household Formation	20.20	80.80
D. Anticipated Growth	-6.47	-33.64
E. Rental Vacancy Adjustment	1.25	5.02
F. Additional Local Demand	19.97	79.87
Total New Units – 5 Years	63	
Total New Units – 20 years		198

Active Transportation Infrastructure

The IHNR must include a statement regarding the need for housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit, or other alternative forms of transportation.

The District has completed an Active Transportation Plan (2024) which identifies the network and the plan to serve the areas that lack active transportation infrastructure. There are key areas next to active transportation hubs that have been reserved or identified for needed housing types such as seniors housing or high density residential.

Discussion

The HNR estimation method is designed to draw solely on data that is made available through provincial and federal sources, ensuring that the information used is consistent and reliable within those governmental frameworks. However, it does not incorporate qualitative data, such as firsthand community feedback or detailed surveys from residents and stakeholders like the Housing Needs Report (2019).

The province has attempted to capture local context by calculating a demand factor for each local government; however, there is no information available about how the demand factor was calculated only that it was determined by the Ministry of Housing. The demand factor is a multiplier based on the ratio of housing price to density. The demand factor for Mackenzie was calculated to be 0.5278. The full HNR calculation report can be found in the centre table file.

The 5-year housing need estimate provided by the HNR estimate is comparable to the high growth scenario projected by MNP in the 2019 Housing Needs Report (HNR), which used a growth forecast of 3.5%. However, it is important to note that between 2019 and 2023, BC Stats has reported a population decline in Mackenzie, suggesting that the actual growth trend may not align with the assumptions made in the original forecast. Given the current economic conditions and the population trend observed, the findings of the HNR may be overestimated, potentially inflating the predicted housing needs for the community.

Conclusion

The Interim Housing Needs Assessment Report will assist the District in understanding shifts in housing demand and satisfy the requirements of the Provincial housing legislation. A fully updated Housing Needs Report (HNR) will be developed later in tandem with a new Official Community Plan (OCP), ensuring alignment between these two documents. By integrating insights from both the HNR and the OCP, the community can create an informed strategy that addresses housing needs while supporting the broader vision for sustainable growth and development.



COUNCIL PRIORITIES:

Community and Social Development

- Our investment in the municipality's services and infrastructure, our commitment to principles of social equity and well-being, and our belief in the value of resident engagement, creates a healthy community in which everyone feels valued and enjoys a high quality of life.

RESPECTFULLY SUBMITTED:

Luke Thorne, Land and Environmental Coordinator

Reviewed By: Corporate and Financial Services

Approved By: Chief Administrative Officer