APPENDIX B: Interim Housing Needs Report

Housing Need – HNR 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**

Component A: Extreme core housing need (ECHN) for renters and owners with a mortgage is used to estimate the number of new units required for those in vulnerable housing situations. Extreme core housing need, as defined by Statistics Canada, refers to private households falling below set thresholds for housing adequacy, affordability or suitability that would have to spend 50% (as compared to 30% for core housing need) or more of total pre-tax income to pay the median rent for alternative acceptable local housing.

Component B: People experiencing homelessness (PEH) is a population not typically captured well in data sources such as the census. This component of housing need quantifies the supply of permanent housing units required for those currently experiencing homelessness. Data on homelessness is derived from the Province's Integrated Data Project (IDP), a program initiated through a partnership between the Ministries of Housing, Social Development and Poverty Reduction, Citizen Services, and BC Housing.

Component C: Suppressed Household Formation (SHF) addresses those households that were unable to form between 2006 and the present due to a constrained housing environment. Households make decisions on housing based on the choices available to them; for example, young people may have difficulty moving out of their parents' homes to form households of their own, while others may choose to merge households with roommates due to lack of available and affordable housing supply.

Component D: Anticipated household growth (AHG) quantifies the additional households required to accommodate an increasing population over twenty years.

Component E: A Rental Vacancy Rate Adjustment (RVRA) adds surplus rental units to restore local vacancy rates to levels representing a healthy and well-functioning rental housing market. Including a RVRA in calculations of housing need has

been recommended by multiple sources, including the Expert Panel on Housing Supply and Affordability (BC/Canada) and CMHC. Typically, rates between 3% and 5% are considered healthy rates. These calculations use the more conservative rate of 3%.

Component F: The final component included in the HNR Method is a calculated number of housing units reflecting 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 Interim Housing Needs Report 2024 to better account for the number of units required to meet "healthy" market demand in different communities.

Accounting for additional local demand helps address the needs of households who require or prefer housing with certain characteristics (e.g., housing location, unit size, transportation options, or amenities), thereby reducing pressure in the housing system. Examples of such demand include households seeking homes closer to jobs and schools, growing families looking for larger homes, and seniors looking to downsize in their existing communities.

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 area's 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.

Actions Taken

Since the 2019 Housing Needs Report the District has taken the following actions:

- Zoning Amendment Bylaw No.1435 – Adding definitions for transitional, supportive, adaptable and emergency housing types to the zoning bylaw and permit them as a principal use in a mix of land use zones.
- Rapid Housing Initiative – The rapid housing initiative was explored and determined that the District did not have the capacity at the time to administer the program.