Interim Housing Needs Report

District of Metchosin

November 2024

1. Introduction

This Interim Housing Needs Report (Interim HNR) is prepared pursuant to section 790 of the *Local Government Act* and is included as an appendix to the current January 2021 Housing Needs Assessment Report. A regular comprehensive HNR is required to be received by December 31, 2028, and will supersede this Interim HNR.

The Interim HNR is required to only include the following three new, additional items:

- The number of housing units required to meet the current and anticipated need for the next 5 and 20 years,
- A statement about the need for housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit or other alternative forms of transportation; and,
- A description of the actions taken by the District of Metchosin since the last housing needs report, to reduce housing needs.

2. 5-year and 20-year Housing Need Projections

The anticipated number of new housing units needed by 2026 **(5-year)** is **285**
The anticipated number of new housing units needed by 2041 **(20-year)** is **852**

The *Local Government Act* requires that the Official Community Plan and the Land Use Bylaw be amended by December 31, 2025, to accommodate the 20-year number of units at a minimum.

In this Interim HNR, the HNR Method was applied using the HNR Calculator, an online tool developed by the University of British Columbia's (UBC) Housing Assessment Resource Tools (HART). The HNR Method assumes a starting point in the census year of 2021 and does not adjust for starting in the current year of 2024.

3. HNR Method

The HNR Method is composed of the following six components (Components A-F) of housing need, which are summed and rounded to the nearest whole number to determine the total 20-year housing need:

A. The number of housing units for households in extreme core housing need
B. The number of housing units for individuals experiencing homelessness
C. The number of housing units for suppressed households
D. The number of housing units for anticipated household growth

E. The number of housing units required to increase the rental vacancy rate to 3%
F. The number of housing units that reflects additional local housing demand (the "demand buffer"). This component is only included for municipalities. There is no requirement to apply the demand factor to regional district electoral areas.

Component A: Housing units and extreme core housing need

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.

Not all households in core housing need require a new unit to address housing inadequacies; for some households, solutions such as making repairs to an existing unit may be sufficient. With that understanding, the use of ECHN data as a subset of core housing need provides a more conservative estimate of new units required while still relying on consistent and available data.

Table 1a
The following table shows total owner and renter households in Metchosin in the four previous census years

Metchosin DM (CSD, BC)				
Total Households	**2006**	**2011**	**2016**	**2021**
Owners	1,490	1,485	1,425	1,525
Renters	245	295	395	330

Table 1b
The following table shows the total number and proportion of owners with a mortgage and renter households in ECHN in the four previous census years, to arrive at an average ECHN rate. *Please note that data for owners with a mortgage is only available for 2021.*

Metchosin DM (CSD, BC)									
	2006		**2011**		**2016**		**2021**		
Extreme Core Housing Need	**#**	**% of total**	**#**	**% of total**	**#**	**% of total**	**#**	**% of total**	**Average ECHN Rate**
Owners with a mortgage	n/a		n/a		n/a		30	1.97%	1.97%
Renters	10	4.08%	0	0.00%	15	3.80%	15	4.55%	3.11%

Table 2: Extreme core housing need calculations

The following table shows the estimated total of owners with a mortgage and renter households in ECHN in 2021.

Metchosin DM (CSD, BC)			
Total Households	**2021 Households**	**Average ECHN Rate**	**Households in ECHN**
Owners	1,525	n/a	n/a
Owners with a mortgage		1.97%	30.00
Renters	330	3.11%	10.25
Total New Units to Meet ECHN - 20 years			**40.25**

Component B: Housing units and homelessness

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. The IDP provides robust data on people experiencing homelessness at any point during the year, as a complement to the annual, one-day point-in-time counts conducted by many local and regional governments.

To be included in IDP counts, individuals must have received income assistance (i.e., BC Employment Assistance) and had no fixed address for three consecutive months or stayed in a BC Housing-affiliated shelter for at least one night, or both. The data is publicly available at the regional scale, with the most recent year being 2021 as of the writing of this guidance.

Table 3: People experiencing homelessness calculations

The following table shows the estimated number of homes required to meet the need of existing people experiencing homelessness (PEH) households as a proportion of the regional need.

Metchosin DM (CSD, BC)				
	Local Population			
Regional Population	**#**	**% of region**	**Regional PEH**	**Proportional Local PEH**
406,075	4,710	1.16%	2,043	23.70

Total New Units to Homelessness Needs - 20 years	**23.70**

Component C: Housing units and suppressed household formation

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.

The following tables calculate the number of new homes required to meet the demand from households unable to form due to a constrained housing environment, since 2006, according to provincial guidelines.

Table 4a: Suppressed household formation calculations

The following table shows the number of owner and renter households in 2006 by age of the primary household maintainer.

Metchosin DM (CSD, BC)		
	2006 Households	
Age - Primary Household Maintainer 2006 Categories	Owner	Renter
Under 25 years	0	0
25 to 34 years	35	70
35 to 44 years	245	55
45 to 54 years	430	80
55 to 64 years	450	20
65 to 74 years	185	10
75 years and over	125	20

Table 4b: Suppressed household formation calculations

The following table shows the number of owner and renter households in 2021 by age of the primary household maintainer.

Metchosin DM (CSD, BC)		
	2021 Households	
Age - Primary Household Maintainer 2021 Categories	Owner	Renter
15 to 24 years	0	0
25 to 34 years	50	50
35 to 44 years	195	65
45 to 54 years	200	75
55 to 64 years	410	75
65 to 74 years	415	40
75 to 84 years	200	25
85 years and over	55	0

Table 5: Suppressed household formation calculations

The following table shows the population by age category in 2006 and 2021.

Metchosin DM (CSD, BC)					
		2006		2021	
Age Categories – Household Maintainers	Age Categories – Population	All Categories	Summed Categories	All Categories	Summed Categories
15 to 24 years	15 to 19 years	330		235	
	20 to 24 years	240	570	230	465
25 to 34 years	25 to 29 years	185		130	
	30 to 34 years	145	330	210	340
35 to 44 years	35 to 39 years	240		295	
	40 to 44 years	380	620	260	555
45 to 54 years	45 to 49 years	450		240	
	50 to 54 years	490	940	320	560
55 to 64 years	55 to 59 years	495		435	
	60 to 64 years	335	830	465	900
65 to 74 years	65 to 69 years	260		520	
	70 to 74 years	70	330	315	835
75 years and over	75 to 79 years	95		235	
	80 to 84 years	95		115	
	85 years and over	50	240	100	450

Table 6: Suppressed household formation calculations

The following table shows the 2006 headship rate of each age category for both renters and owners.

Metchosin DM (CSD, BC)					
	2006 Households		2006 Population	2006 Headship Rate	
Age Categories – Household Maintainers	Owner	Renter	Total	Owner	Renter
15 to 24 years	0	0	570	0.00%	0.00%
25 to 34 years	35	70	330	10.61%	21.21%
35 to 44 years	245	55	620	39.52%	8.87%
45 to 54 years	430	80	940	45.74%	8.51%
55 to 64 years	450	20	830	54.22%	2.41%
65 to 74 years	185	10	330	56.06%	3.03%
75 years and over	125	20	240	52.08%	8.33%

Table 7: Suppressed household formation calculations

The following table shows the potential 2021 headship rate of each age category for both renters and owners if the headship rate from 2006 remained constant.

Metchosin DM (CSD, BC)					
	2006 Headship Rate		2021 Population	2021 Potential Households	
Age Categories – Household Maintainers	Owner	Renter	Total	Owner	Renter
15 to 24 years	0.00%	0.00%	465	0.00	0.00
25 to 34 years	10.61%	21.21%	340	36.06	72.12
35 to 44 years	39.52%	8.87%	555	219.31	49.23
45 to 54 years	45.74%	8.51%	560	256.17	47.66
55 to 64 years	54.22%	2.41%	900	487.95	21.69
65 to 74 years	56.06%	3.03%	835	468.11	25.30
75 years and over	52.08%	8.33%	450	234.38	37.50

Table 8: Suppressed household formation calculations

The following table calculates the number of suppressed households by subtracting actual households in 2021 from potential households in 2021 by age category, according to provincial guidelines.

Metchosin DM (CSD, BC)							
	2021 Potential Households		2021 Households		2021 Suppressed Households		
Age Categories – Household Maintainers	Owner	Renter	Owner	Renter	Owner	Renter	Total
15 to 24 years	0.00	0.00	0	0	0.00	0.00	0.00
25 to 34 years	36.06	72.12	50	50	-13.94	22.12	8.18
35 to 44 years	219.31	49.23	195	65	24.31	-15.77	8.55
45 to 54 years	256.17	47.66	200	75	56.17	-27.34	28.83
55 to 64 years	487.95	21.69	410	75	77.95	-53.31	24.64
65 to 74 years	468.11	25.30	415	40	53.11	-14.70	38.41
75 years and over	234.38	37.50	255	25	-20.62	12.50	0.00
Total New Units to Meet Suppressed Housing Need - 20 years							108.61

Component D: Housing units and anticipated household growth

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

Table 9: Anticipated household growth calculations

The following table shows the 20-year population projection and growth rate for your regional district.

Metchosin DM (CSD, BC)			
Regional District Projections	2021	2041	Regional Growth Rate
Households	185,205	254,785	37.57%

Table 10: Anticipated household growth calculations

The following table shows the calculated number of new homes needed in the next 20 years according to the provincial guidelines, calculated with the average of the municipal and regional growth projections.

Metchosin DM (CSD, BC)				
Growth Scenarios	Regional Growth Rate	Households		New Units
		2021	2041	
Local Household Growth	n/a	1,855	2,032.00	177.00
Regionally Based Household Growth	37.57%	1,855	2,551.91	696.91
Scenario Average				436.95
Total New Units to Meet Household Growth Needs - 20 years				**436.95**

Component E: Housing units and rental vacancy rate

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%

Table 11: Rental vacancy rate adjustment calculations

The following table shows the difference between the existing total number of rental homes and the total number of rental homes required for a 3% vacancy rate.

Metchosin DM (CSD, BC)				
	Vacancy Rate	Occupied Rate	Renter Households	Estimated Number of Units
Target Vacancy Rate	3.00%	97.00%	330	340.21
Local Vacancy Rate	1.40%	98.60%		334.69
Total New Units to Achieve 3% Vacancy Rate - 20 years				**5.52**

Component F: Housing units and demand (the "demand buffer")

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 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. For the purposes of HNRs, a demand factor based on a ratio of housing price to housing density is calculated for each applicable municipality. This factor is then multiplied by the sum of the housing units calculated for Components A (housing units to address extreme core housing need), B (housing units for persons experiencing homelessness), C (housing units to address suppressed household formation), and E (housing units to increase the rental vacancy rate) to determine the additional local housing demand.

Table 12: Additional local housing demand calculations

The following table calculates additional demand for new housing by applying your demand factor to the total of the other relevant components, according to provincial guidelines.

Metchosin DM (CSD, BC)	
Component	**Result**
A. Extreme Core Housing Need	40.25
B. Persons Experiencing Homelessness	23.70
C. Suppressed Household Formation	108.61
E. Rental Vacancy Rate Adjustment	5.52
Total	**178.07**

Demand Factor	1.33
Total New Units to Address Demand Buffer - 20 years	**237.26**

Total 5-year and 20-year housing need

The following table sums Components A-F 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.

Table 13: Total 5-year and 20-year housing need

Metchosin DM (CSD, BC)		
Component	**5 Year Need**	**20 Year Need**
A. Extreme Core Housing Need	10.06	40.25
B. Persons Experiencing Homelessness	11.85	23.70
C. Suppressed Household Formation	27.15	108.61
D. Anticipated Growth	175.57	436.95
E. Rental Vacancy Rate Adjustment	1.38	5.52
F. Additional Local Demand	59.31	237.25
Total New Units - 5 years	**285**	
Total New Units - 20 years		**852**

4. Housing in Proximity to Transportation Infrastructure

The Interim HNR 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.

Given the rural nature of the District, the District's Official Community Plan (OCP) helps to encourage complete communities through supporting active transportation modes to connect to the District's Village Centre, as well as to the neighbouring communities of Sooke, Langford and Colwood where a greater array of commercial and work opportunities exist. The District's OCP supports a range of home based businesses to allow opportunities to work at home and provide local services to the community while minimizing the need to commute or travel. While growth or major trip-generating uses are not planned for the District, the District's OCP supports public transit and active transportation. The OCP includes policies that support multi-modal connectivity locally and regionally and contributes to the aspirational target of having a regional transportation system that sees 42% of all trips made by walking, cycling and transit.

The District is developing an Active Transportation Network Plan to improve safety, connectivity and access for people living and travelling by active means within the District.

5. Action Summary

Between January 1, 2021, and October 31, 2024, the actions taken by the District to reduce housing needs include the following:

- 37 new housing units were constructed
- A review of zoning provisions was completed in response to Bill 44 in June 2024. Already enabled in the Land Use Bylaw is the required minimum residential density of one attached suite in every residential zone, and detached suites on parcels greater than 1.98 acres, in addition to the principal residence
- In February 2024, Council directed staff to initiate an update to the Development Procedures Bylaw that was adopted in 1987. Staff have also begun preparing an internal development procedures manual. Updating the bylaw and internal manual will modernize the bylaw and streamline processes
- A new Building Bylaw was adopted in November 2024, which may help reduce building permit processing times
- The District is developing an Active Transportation Network Plan to improve safety, connectivity and access for people living and travelling by active means within the District

It's important to note that one key barrier to building housing in the District is the provision of infrastructure servicing. Metchosin's municipal boundary is located entirely outside of the region's growth boundary. Metchosin does not have regional or municipal sewer service, and has limited access to CRD water services, with most residents using wells.