

**Village of Lions Bay Interim Housing Needs Report
Background Report
Dec 17th, 2024****Introduction**

In the fall of 2023, a comprehensive suite of legislation changed the local government planning and land use framework to enable local governments to deliver more housing, in the right places, faster. New requirements for local government Housing Needs Reports (HNRs) are a key part of these changes.

As a result of these changes, local governments must complete an Interim HNR by January 1, 2025, using the HNR Method to calculate the number of housing units needed over 5 and 20 years.

Municipalities must then update their Official Community Plans (OCPs) and Zoning Bylaws by December 31, 2025, to accommodate the identified number of housing units. Regional district electoral areas (EAs) are exempt from these OCP and zoning requirements.

Following this, the next regular HNR is due by December 31, 2028, and corresponding updates to municipal OCPs and bylaws will be required by December 31, 2030. Subsequent reports and updates must be completed every five years. This update cycle is timed to correspond with each census data release.

Methodology

Requiring a standard method for calculating housing need in HNRs ('HNR Method') will ensure that all local governments produce robust, consistent, and comparable assessments of housing need.

The HNR Method estimates the total number of housing units required to address a community's current and anticipated housing needs over 5- and 20-year timeframes, based on publicly available data sources that can be applied to communities of various scales. It 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.

Findings

| 2024 Interim Housing Needs Report (Standardized Methodology) Key Findings* | |
|---|------------------|
| Summary of Results | Lions Bay |
| Total 5-Year Housing Need (2026) | 137 |
| Total 20-Year Housing Need (2041) | 454 |

The key findings obtained from using the HNR Method are presented in the table below:

* The 2024 Interim HNR is an update to the 2021 HNR. The 5-year and 20-year housing need projections are considered to begin in 2021.

Comparison to 2021 HNR

The existing Housing Needs Assessment Report, also referred to simply as the Housing Needs Report, completed in 2021 was prepared using data more specific to Village of Lions Bay and is overall a more fulsome and nuanced report than what is being presented to Council and what will constitute the Interim Housing Needs Report. As described in the Methodology section above, a standardized method of calculating housing need was used by Metro Vancouver to produce the 5-year and 20-year housing need projections. For most communities, the HNR Method will likely calculate a higher number of housing units needed than the housing needs identified in existing HNRs. As an example, the HNR Method accounts for suppressed household formation and the demand buffer, components which were typically excluded or ignored in previous HNRs. The HNR Method also uses BC Stats as the source for population projection, which will often be higher than projections used in existing reports. The demand buffer will be a major contributor to the higher numbers. Notwithstanding, the key findings produced using the HNR Method are not significantly higher than those presented in the 2021 Report. Using the HNR Method, it was determined that a total of 137 new homes built within the 5-year period between 2021 to 2026 will satisfy the Village’s housing need. The 2021 HNR calculated that 100 new homes in the 2016 to 2026 period would be required. This disparity is largely due to the HNR Method Component F: Demand Buffer.

Demand Buffer

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.

The large majority of housing in the Village of Lions Bay are single-family detached homes which tend to be more expensive than regional averages and have relatively low density compared to other housing types. Because of this, the Village of Lions Bay, along with the Villages of Anmore and Belcarra, has the highest demand buffer ratio in Metro Vancouver at 1.45.

Conclusion

Municipalities are not required to meet, and there is no penalty for not meeting, the 5-year or 20-year housing needs projections. Instead, municipalities should update their Zoning Bylaw and Official Community Plan to ensure that the capacity to build the projected number of new homes is supported in these policies. Any necessary changes to the Zoning Bylaw and OCP to create that capacity will be determined by Village of Lions Bay prior to December 31st 2025.



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Proposed Appendix to November 2021 Housing Needs Report

In the fall of 2023, a comprehensive suite of legislation changed the local government planning and land use framework to enable local governments to deliver more housing, in the right places, faster. New requirements for local government Housing Needs Reports (HNRs) are a key part of these changes.

As a result of these changes, local governments must complete an Interim HNR by January 1, 2025, using the HNR Method to calculate the number of housing units needed over 5 and 20 years.

The information contained in this document in the form of an appendix to the existing HNR meets the provincial requirement for an Interim Housing Needs report. A Regular Housing Needs Report is required to be completed prior to December 31st, 2028, and then every five years thereafter.

Methodology

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- 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.

The complete data and calculations for all six components are included at the end of this report.

Findings

The key findings obtained from using the HNR Method are presented in the table below:

| 2024 Interim Housing Needs Report (Standardized Methodology) Key Findings* | |
|---|------------------|
| Summary of Results | Lions Bay |
| Total 5-Year Housing Need (2026) | 137 |
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Reduction of Housing Needs

Village of Lions Bay Staff, informed by discussions with the Ministry of Housing and Municipal Affairs, will determine what changes are needed, if any, to the existing Zoning Bylaw and Official Community Plan so that the capacity to meet the 5-year and 20-year Housing Need projections are supported by these policies. The Zoning Bylaw and OCP are required to be updated prior to December 31st, 2025.

Preferred Locations of New Housing

Wherever possible, new housing should be built in close proximity to transportation infrastructure that supports walking, bicycling, public transit or other alternative forms of transportation. The updated Zoning Bylaw and OCP should reflect this principle.

| | | | | | |
|---|--|------------------|--|--|--|
| 2024 Interim Housing Needs Report - Standardized Methodology Calculations | | | | | |
| Lions Bay | | | | | |
| Prepared by: Metro Vancouver Regional District, Regional Planning & Housing Services | | | | | |
| Technical Guidelines: https://www2.gov.bc.ca/assets/gov/housing-and-tenancy/tools-for-government/uploads/hnr_method | | | | | |
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| 2024 Interim Housing Needs Report (Standardized Methodology) Key Findings | | | | | |
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COMPONENT A: Housing units and extreme core housing need HNRR s. 17 (VHNRR s. 12)

Table 1: Extreme core housing need, Steps 1 and 2

| Total Households | 2006 | | 2011 | | 2016 | | 2021 | | Average ECHN Rate |
|---------------------------|------|------------|------|------------|------|------------|------|------------|-------------------|
| Owners | 475 | | 435 | | 455 | | 445 | | |
| Renters | 40 | | 65 | | 40 | | 60 | | |
| Extreme Core Housing Need | # | % of total | 0.0% |
| Owners with a mortgage | n/a | | n/a | | n/a | | 0 | 0.0% | |
| Renters | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% | |

Table 2: Extreme core housing need, Steps 3 and 4

| Total Households | 2021 Households | Average ECHN Rate | Households in ECHN |
|-----------------------------------|-----------------|-------------------|--------------------|
| Owners | | n/a | n/a |
| Owners with a mortgage | 445 | 0.0% | 0 |
| Renters | 60 | 0.0% | 0 |
| Total New Units - 20 years | | | 0 |

COMPONENT B: Housing units and homelessness HNRR s. 18 (VHNRR s. 13)

Table 3: People experiencing homelessness, Steps 1, 2 and 3

| Regional Population | Local Population | | Regional PEH | Proportional Local PEH |
|-----------------------------------|------------------|-------------|--------------|------------------------|
| | # | % of Region | | |
| 2,607,015 | 1,390 | 0.1% | 11,392 | 6 |
| Total New Units - 20 years | | | | 6 |

COMPONENT C: Housing units and suppressed household formation HNRR s. 19 (VHNR s. 14)

Table 4: Suppressed household formation, Step 1

| Age - Primary Household Maintainer - 2006 Categories | 2006 Households | | Age - Primary Household Maintainer - 2021 Categories | 2021 Households | |
|--|-----------------|--------|--|-----------------|--------|
| | Owner | Renter | | Owner | Renter |
| Under 25 years | 0 | 0 | 15 to 24 years | 0 | 0 |
| 25 to 34 years | 20 | 0 | 25 to 34 years | 10 | 0 |
| 35 to 44 years | 80 | 20 | 35 to 44 years | 40 | 0 |
| 45 to 54 years | 120 | 0 | 45 to 54 years | 105 | 20 |
| 55 to 64 years | 145 | 0 | 55 to 64 years | 95 | 15 |
| 65 to 74 years | 60 | 0 | 65 to 74 years | 140 | 15 |
| 75 years and over | 55 | 0 | 75 to 84 years | 50 | 0 |
| | | | 85 years and over | 0 | 0 |

Table 5: Suppressed household formation, Step 2

| Age Categories - Household Maintainers | Age Categories - Population | 2006 Population | | 2021 Population | |
|--|-----------------------------|-----------------|-------------------|-----------------|-------------------|
| | | All Categories | Summed Categories | All Categories | Summed Categories |
| 15 to 24 years | 15 to 19 years | 80 | 170 | 110 | 165 |
| | 20 to 24 years | 90 | | 55 | |
| 25 to 34 years | 25 to 29 years | 15 | 60 | 50 | 95 |
| | 30 to 34 years | 45 | | 45 | |
| 35 to 44 years | 35 to 39 years | 90 | 200 | 75 | 130 |
| | 40 to 44 years | 110 | | 55 | |
| 45 to 54 years | 45 to 49 years | 125 | 240 | 120 | 220 |
| | 50 to 54 years | 115 | | 100 | |
| 55 to 64 years | 55 to 59 years | 150 | 280 | 115 | 245 |
| | 60 to 64 years | 130 | | 130 | |
| 65 to 74 years | 65 to 69 years | 80 | 115 | 155 | 245 |
| | 70 to 74 years | 35 | | 90 | |
| 75 years and over | 75 to 79 years | 20 | 65 | 30 | 110 |
| | 80 to 84 years | 35 | | 65 | |
| | 85 years and over | 10 | | 15 | |

Table 6: Suppressed household formation, Step 3

| Age Categories - Household Maintainers | 2006 Households | | 2006 Population | 2006 Headship Rate | |
|--|-----------------|--------|-----------------|--------------------|--------|
| | Owner | Renter | | Owner | Renter |
| 15 to 24 years | 0 | 0 | 170 | 0.0% | 0.0% |
| 25 to 34 years | 20 | 0 | 60 | 33.3% | 0.0% |
| 35 to 44 years | 80 | 20 | 200 | 40.0% | 10.0% |
| 45 to 54 years | 120 | 0 | 240 | 50.0% | 0.0% |
| 55 to 64 years | 145 | 0 | 280 | 51.8% | 0.0% |
| 65 to 74 years | 60 | 0 | 115 | 52.2% | 0.0% |
| 75 years and over | 55 | 0 | 65 | 84.6% | 0.0% |

Table 7: Suppressed household formation, Step 4

| Age Categories - Household Maintainers | 2006 Headship Rate | | 2021 Population | 2021 Potential Households | |
|--|--------------------|--------|-----------------|---------------------------|--------|
| | Owner | Renter | | Owner | Renter |
| 15 to 24 years | 0.0% | 0.0% | 165 | 0 | 0 |
| 25 to 34 years | 33.3% | 0.0% | 95 | 32 | 0 |
| 35 to 44 years | 40.0% | 10.0% | 130 | 52 | 13 |
| 45 to 54 years | 50.0% | 0.0% | 220 | 110 | 0 |
| 55 to 64 years | 51.8% | 0.0% | 245 | 127 | 0 |
| 65 to 74 years | 52.2% | 0.0% | 245 | 128 | 0 |
| 75 years and over | 84.6% | 0.0% | 110 | 93 | 0 |

Table 8: Suppressed household formation, Steps 5 and 6

| Age Categories - Household Maintainers | 2021 Potential Households | | 2021 Households | | 2021 Suppressed Households | | |
|--|---------------------------|--------|-----------------|--------|----------------------------|--------|------------|
| | Owner | Renter | Owner | Renter | Owner | Renter | Total |
| 15 to 24 years | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 to 34 years | 32 | 0 | 10 | 0 | 22 | 0 | 22 |
| 35 to 44 years | 52 | 13 | 40 | 0 | 12 | 13 | 25 |
| 45 to 54 years | 110 | 0 | 105 | 20 | 5 | -20 | 0 |
| 55 to 64 years | 127 | 0 | 95 | 15 | 32 | -15 | 17 |
| 65 to 74 years | 128 | 0 | 140 | 15 | -12 | -15 | 0 |
| 75 years and over | 93 | 0 | 50 | 0 | 43 | 0 | 43 |
| Total New Units - 20 years | | | | | | | 107 |

| COMPONENT D: Housing units and anticipated household growth HNRR s. 20 (VHNRR s. 15) | | | | |
|--|----------------------|------------|----------------------|------------|
| Table 9: Anticipated household growth, Step 1 | | | | |
| Regional District Projections | 2021 | 2041 | Regional Growth Rate | |
| Households | 1,043,315 | 1,580,744 | 51.5% | |
| Table 10: Anticipated household growth, Steps 2, 3, 4 and 5 | | | | |
| Growth Scenarios | Regional Growth Rate | Households | | New Units |
| | | 2021 | 2041 | |
| Local Household Growth | n/a | 505 | 596 | 91 |
| Regionally Based Household Growth | 51.5% | 505 | n/a | 260 |
| Scenario Average | | | | 176 |
| Total New Units - 20 years | | | | 176 |

| COMPONENT E: Housing units and rental vacancy rate HNRR s. 21 (VHNRR s. 16) | | | | |
|---|---------------------|---------------|-------------------|---------------------------|
| Table 11: Rental vacancy rate adjustment, Steps 1, 2, 3 and 4 | | | | |
| | Vacancy Rate (2021) | Occupied Rate | Renter Households | Estimated Number of Units |
| Target Vacancy Rate | 3.0% | 97.0% | 60 | 62 |
| Local Vacancy Rate* | 1.4% | 98.6% | | 61 |
| Total New Units - 20 years | | | | 1 |
| *Note: Used British Columbia's vacancy rate for "row/apartment" as per the HNR Method Technical Guidelines. | | | | |

| COMPONENT F: Housing units and demand (the "demand buffer") HNRR s. 22 (VHNRR s. 17) | | |
|--|------------|--|
| Table 12: Additional local housing demand, Steps 1 and 2 | | |
| Component | Result | |
| A Extreme Core Housing Need | 0 | |
| B Persons Experience Homelessness | 6 | |
| C Suppressed Household Formation | 107 | |
| E Rental Vacancy Rate Adjustment | 1 | |
| Total | 114 | |
| Demand Factor | 1.45 | |
| Total New Units - 20 Years | 165 | |

| TOTAL 20-YEAR HOUSING NEED | | | |
|---|---------------------------|--|--|
| Table 13: Total 20-year Housing Need | | | |
| Component | Total Housing Need | | |
| A Extreme Core Housing Need | 0 | | |
| B Persons Experience Homelessness | 6 | | |
| C Suppressed Household Formation | 107 | | |
| D Anticipated Household Growth | 176 | | |
| E Rental Vacancy Rate Adjustment | 1 | | |
| F Additional Demand | 165 | | |
| Total New Units - 20 Years | 454 | | |

| TOTAL 5-YEAR HOUSING NEED | | | |
|--|---------------------------|--|--|
| Table 14: Total 5-year Housing Need | | | |
| Component | Total Housing Need | | |
| A Extreme Core Housing Need | 0 | | |
| B Persons Experience Homelessness | 3 | | |
| C Suppressed Household Formation | 27 | | |
| D Anticipated Household Growth | 66 | | |
| E Rental Vacancy Rate Adjustment | 0 | | |
| F Additional Demand | 41 | | |
| Total New Units - 5 Years | 137 | | |

Component D: 5-Year Calculations

Table 9: Anticipated household growth, Step 1

| Regional District Projections | 2021 | 2026 | Regional Growth Rate |
|--------------------------------------|-------------|-------------|-----------------------------|
| Households | 1,043,315 | 1,221,910 | 17.1% |

Table 10: Anticipated household growth, Steps 2, 3, 4 and 5

| Growth Scenarios | Regional Growth Rate | Households | | New Units |
|-----------------------------------|-----------------------------|-------------------|-------------|------------------|
| | | 2021 | 2026 | |
| Local Household Growth | n/a | 505 | 550 | 45 |
| Regionally Based Household Growth | 17.1% | 505 | n/a | 86 |
| Scenario Average | | | | 66 |
| Total New Units - 5 years | | | | 66 |