

DATE OF MEETING December 16, 2024
AUTHORED BY LISA BRINKMAN, MANAGER, COMMUNITY PLANNING
SUBJECT INTERIM HOUSING NEEDS REPORT 2024

OVERVIEW

Purpose of Report

To present to Council the City of Nanaimo's Interim Housing Needs Report (November 2024).

Recommendation

That Council receive the City of Nanaimo's Interim Housing Needs Report (November 2024) in accordance with Section 585.31 of the *Local Government Act*.

BACKGROUND

The City of Nanaimo completed a 10-year Housing Needs Report in early 2023 that met the *Local Government Act* requirements at that time. However, due to the recent changes to the *Local Government Act*, a new housing needs report is required by 2025-JAN-01 using an updated analysis methodology. Provincial Capacity Funds were used to retain a consultant to prepare the November 2024 Interim Housing Needs Report. Section 585.31 of the *Local Government Act* requires that Council receive the housing needs report, by resolution, in an open meeting.

DISCUSSION

The Provincial housing legislation introduced in late 2023 amended a broad range of planning and land use tools for local governments, including the requirement to estimate 5- and 20-year housing need with a specific provincially mandated analysis method. Both the 2023 and 2024 Housing Needs Reports relied on 2021 Census data, however, since a new analysis method has been used, which considers more factors, much more refined and accurate housing needs estimates can be found in the 2024 Interim Housing Needs Report.

The Interim Housing Needs Report (November 2024) is provided in Attachment A. The report outlines the 5-, 10-, and 20-year housing needs for the City, including detailed information regarding rental housing, market housing, non-market housing, and bedroom need estimates. In addition, the report explains the difference between the Provincial Housing Target Order for Nanaimo, and housing need estimates.

Key highlights from the 2024 'Interim Housing Needs Report':

Total estimated housing need:

- 5 years (2021 – 2026) – 7,227 residential units.
- 10 years (2021 – 2031) – 12,962 residential units.
- 20 years (2021 – 2041) – 23,776 residential units.

The 10-year forecast for housing need estimates that 55% should be rental units and 45% should be ownership units. Of the 12,962 housing units that are needed in the next 10 years, it is estimated that 25% should be non-market units (with unit rents of \$500-\$1500/month), and 9% should be deep subsidy and supportive units (for those experiencing chronic homelessness).

Using the 10-year annual average, approximately 1,296 residential units are needed annually to address Nanaimo's housing needs. The report emphasizes that in the past five years (except 2021), the City has issued more building permits for residential units than is required to meet the Housing Target Order annual required average of 940 units per year. Also, in 2019 and 2022 annual housing need (1,296 units) was exceeded by building permits issued for residential units. In 2023, the City issued building permits for 1,170 residential units.

The 2024 Interim Housing Needs Report will provide more accurate and refined data to inform many upcoming City housing initiatives, including the Zoning Bylaw update, the creation Secondary Urban Centre Area Plans, tenant protection policies, tenant eviction prevention initiatives, the review of development proposals, as well as inclusionary zoning and density bonus considerations.

Staff will continue to provide an annual housing update to Council that reflects on how the City is working to meet housing needs, including 2024 building permit data and development highlights. Also, in early 2025 the required six-month Provincial Housing Target Order report will be presented to Council. In addition, the new Provincial housing legislation requires that the City review *City Plan* in 2025 to ensure it contains policy guidance to accommodate the range of housing needs identified in the 2024 Interim Housing Needs Report. The next housing needs report will be completed in 2028 (using 2026 Census data).

OPTIONS

1. That Council receive the City of Nanaimo's Interim Housing Needs Report (November 2024) in accordance with Section 585.31 of the *Local Government Act*.
 - The advantages of this option: The City will meet the required provincial deadline of receiving the 2024 Interim Housing Needs Report by 2025-JAN-01. The data provided in the report will inform the City's upcoming housing initiatives.
 - The disadvantages of this option: None identified.
 - Financial Implications: Provincial Capacity Funds were used to retain a consultant to complete the required Interim Housing Needs Report.
2. That Council provide alternate direction to Staff.

SUMMARY POINTS

- The City completed a 2024 Interim Housing Needs Report, as required by recent Provincial housing legislation.
- The 2024 Interim Housing Needs Report estimates that 12,962 housing units are needed (2021 and 2031).
- In the past five years (except 2021), the City has issued more building permits for residential units than is required to meet the Housing Target Order annual required average (940 units per year).

ATTACHMENTS

ATTACHMENT A: Interim Housing Needs Report (November 2024) |

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