

City of Port Moody Report/Recommendation to Council

Date:November 12, 2024Submitted by:Community Development Department – Policy Planning DivisionSubject:Interim Housing Needs Report

Purpose

To present the 2024 Interim Housing Needs Report for Council consideration in fulfillment of Provincial requirements.

Recommended Resolution(s)

THAT the proposed 2024 Interim Housing Needs Report be received as recommended in the report dated November 12, 2024, from the Community Development Department – Policy Planning Division regarding Interim Housing Needs Report;

AND THAT staff be directed to update the 2022 Housing Action Plan's housing targets to align with the housing needs identified in the 2024 Interim Housing Needs Report.

Background

In April 2019, the Ministry of Municipal Affairs and Housing introduced new legislation under Part 14 of the *Local Government Act*. The new regulations require local governments to complete Housing Needs Reports (HNR) by 2022 and thereafter every five years.

The purpose of the legislation is to:

- enable the provincial government to gain an understanding of recent changes in demographics and housing and provide important context to plan for future housing needs;
- enable municipalities to better understand their current and future housing needs; and
- assist local governments in implementing policies and bylaws that respond to current and projected housing needs.

At the October 19, 2021, Committee of the Whole meeting, Council received the <u>City of Port</u> <u>Moody Housing Needs Report</u>. In November 2023, the Province updated legislative requirements for HNRs. Municipalities and regional districts are required to complete Interim HNRs by January 1, 2025, using new standardized methodology to identify the five- and twenty-year housing needs for their communities. The requirement for the Interim HNR is to respond to the following three questions:

- 1. The number of housing units required to meet current and anticipated need for the next five and twenty years, as calculated using the HNR Method provided in the Regulation.
- 2. 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.
- 3. A description of the actions taken by the City, since the 2021 Housing Needs Report, to reduce housing needs.

Local governments must then update their Official Community Plan ("OCP") and Zoning Bylaw by December 31, 2025, to accommodate the number of units identified. The next regular HNR is required to be completed by December 31, 2028, and every five years thereafter. Port Moody's OCP is required to be updated within two years (December 31, 2030) following the completion of the first regular HNR. This requirement will also more directly link the HNR to the OCP and zoning bylaw to ensure both planning and zoning align with community housing needs.

City of Port Moody Housing Needs Report, September 2021 is Port Moody's most recent HNR and the Interim HNR is proposed to be added as an appendix to the 2021 HNR.

Discussion

The Interim HNR (**Attachment 1**) requires Port Moody to add three items in an appendix to the existing <u>2021 Housing Needs Report</u>:

- 1. The number of housing units required to meet current and anticipated need for the next five and twenty years, as calculated using the HNR Method provided in the Regulation
- 2. 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.
- 3. A description of the actions taken by the City, since the 2021 Housing Needs Report, to reduce housing needs.

Question 1: Calculating current and anticipated housing need

To calculate current and anticipated housing needs, municipalities were offered two options: (1) use the automated <u>BC Housing Needs Report Calculator</u> developed by the University of British Columbia's Housing Assessment Resource Tool, or (2) obtain the calculation from Metro Vancouver Regional District, Regional Planning & Housing Services. Both options utilized the same data source to generate the same results for the five- and twenty-year need. Port Moody requested the Metro Vancouver calculation as this option provided a detailed break down of the steps taken to determine the five-year and twenty-year needs.

Table 1: 2024 Interim Housing Needs Report (Standardized Methodology) Key Findings, prepared by Metro Vancouver Regional District, Regional Planning & Housing Services

Component	Five-year Need	Twenty-year Need
Extreme Core Housing Need	130	518
Persons Experiencing Homelessness	73	146
Suppressed Household Formation	117	467
Anticipated Household Growth	2,499	7,685
Rental Vacancy Rate Adjustment	0	0
Additional Demand	245	979
Total New Units – 5 Years	3,063	n/a
Total New Units – 20 years	n/a	9,796

Question 2: Need for housing close to transportation infrastructure

Port Moody's response to the need for housing close to transportation infrastructure references the existing transit-oriented development (TOD) policies in the Official Community Plan, the adoption of the Transit-Oriented Areas Designation Bylaw, 2024, No. 3465 as a result of *Bill 47: Housing Statutes (Transit-Oriented Areas) Amendment Act*, and municipal goals aimed to shift modes towards more sustainable, equitable and lower greenhouse gas transportation options. The response also references the need to be economically sustainable with investments in services and infrastructure and regional alignment with Metro 2050: Regional Growth Strategy's Goal 5: Support Sustainable Transportation.

Question 3: Actions taken to address housing needs in Port Moody

Port Moody's response to actions taken to address housing needs highlighted the *Housing Action Plan 2022-2032*, the *Council Strategic Plan, 2023 – 2026*, the progress towards the *Housing Target Orders* and amendments to the Zoning Bylaw to enable small-scale multi-unit housing. For the *Housing Action Plan 2022-2032*, out of the 73 sub-actions, 33 sub-actions are complete or are continuously monitored due tso their ongoing nature. A detailed breakdown of the 73 sub-actions, their priority levels and completion status, is available in Housing Action Plan Tracker (**Attachment 2**).

The Housing Supply Act and Interim Housing Needs Report

The *Housing Supply Act* allows the Province to impose a number of substantive and procedural requirements upon municipalities in seeking to reach housing targets. As part of the *Housing Supply Act*, the Province can establish housing targets for a specified municipality in relation to housing supply, including the availability and affordability of housing. On May 31, 2023, the Province announced the first cohort of municipalities to receive housing targets, which included Port Moody. Port Moody's housing targets were established in September 2023, with October 1, 2023, established as the five-year start date through <u>Ministerial Order 283/2023</u>.

Table 2 lists the 5-year housing targets for Port Moody. It should be noted that the Provincial target for the City is the 75% threshold, with the expectation that the City will complete, at minimum, 1,694 units between October 2023 and September 2028. Currently, it is not mandatory to provide information for the unit mixes by size, tenure, and affordability proposed by the Province.

This figure represents 75% of the Province's estimated housing need for Port Moody. The 100% target is 2,259 new completed units. Port Moody Council received the 6-month <u>Housing Supply</u> <u>Act – Progress Report</u> dated May 14, 2024, on progress towards the housing target, and, at the writing of this report, the One-Year Progress Report is to be received by Council on November 12, 2024.

City of Port Moody - 5-Year Housing Targets (Draft)				
	Unit Category	Provincial Estimate	Minimum Housing	
		of Need (100%)	Target (75%)	
Total Units		2,259	1,694	
Units by Size 2-Be		1,204	903	
	Studio & 1-Bed	(488 1-bed Minimum)	(366 1-bed Minimum)	
	2-Bed	438	328	
	3 or more Bed	616	462	
Units by Tenure	Rental	939	704	
	Owned	1,319	989	
Total Rental Units by	Market	622	466	
Affordability	Below Market	317	238	
Supportive Rental Units	On-Site Supports	40	30	

Table 2: 5-Year Housing Targets for Port Moody

Table 3 compares housing needs with the housing targets mandated by the Province.

Provincial Housing Requirement	Time Period	Number	% of Interim HNR (Five-Year Need)
2021 Housing Needs Report	2016 to 2026 (10-year)	2,975	97%
Housing Supply Act (75% min)	October 2023 to October	1,694	55%
Housing Supply Act (100%)	2028 (5-year)	2,259	74%
2024 Interim Housing Needs Report	August 2024 to August 2029 (5-year)	3,063	100%

Table 3: Five-year Housing Need Calculation Comparisons

The 2021 Housing Needs Report, which used the 2016 Census data, and the 2023 Housing Supply Act, which used the 2021 Census data, were derived using Metro Vancouver's Regional Point-in-Time Growth Projections. While using a similar methodology, the Interim Housing Needs Report also takes into consideration BC Stats projections. As a result, the five-year need identified in the Interim HNR is almost double the five-year minimum housing target in the *Housing Supply Act*.

Next Steps

Once the Interim HNR has been received by Council, staff will submit the new document to the Province. The Interim HNR's five- and twenty-year needs must then be incorporated into the upcoming OCP update while ensuring that the statements, maps, and land use designations permit the number of housing units needed over the next 20 years.

As the 2024 Interim HNR applies a standardized methodology for all local governments in BC, staff are recommending that the housing targets in the 2022 Housing Action Plan be updated to take into consideration the new five- and twenty-year needs.

Other Option(s)

This report is for information only; therefore, no other options are being provided.

Financial Implications

There are no financial implications associated with the recommendations in this report.

Communications and Public Engagement Initiatives

The Interim HNR will be appended to the 2021 <u>Housing Needs Report</u> and posted to the City's website.

Council Strategic Plan Goals

The recommendations in this report align with the following Council Strategic Plan Goal(s):

• Strategic Goal 3.1 – Create complete and connected communities through balanced growth.

Attachment(s)

- 1. Draft Interim Housing Needs Report Port Moody.
- 2. Housing Action Plan Tracker.

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Report Approval Details

Document Title:	Interim Housing Needs Report.docx
Attachments:	 Attachment 1 - Interim Housing Needs Report.pdf Attachment 2 - Housing Action Plan Tracker.pdf
Final Approval Date:	Nov 7, 2024

This report and all of its attachments were approved and signed as outlined below:

Tracey Takahashi, Deputy Corporate Officer - Nov 5, 2024

Mary De Paoli, Manager of Policy Planning - Nov 6, 2024

Mary De Paoli, Manager of Policy Planning, for Kate Zanon, General Manager of Community Development - Nov 6, 2024

Stephanie Lam, City Clerk and Manager of Legislative Services - Nov 7, 2024

Lindsay Todd, Manager of Communications and Engagement - Nov 7, 2024

Paul Rockwood, General Manager of Finance and Technology - Nov 7, 2024

Anna Mathewson, City Manager - Nov 7, 2024