



## Interim Housing Needs Report

*November 2024*

## Introduction

This Interim Housing Needs Report (IHNR) is prepared pursuant to section 790 of the Local Government Act and amends the 2021 [Cowichan Valley Regional District City of Duncan Housing Needs Assessment Report](#).

The IHNR must include three components:

- The number of housing units required to meet the current and anticipated need for the next 5 and 20 years;
- A description of the actions taken by the City of Duncan since receiving the previous HNR;
- 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.

The data and tables that inform the need are provided within Appendix A: Data Tables, and definitions are found in Appendix B. A fully complete Housing Needs Report (HNR) is required to be completed by December 31, 2028, and will supersede this IHNR.

# 5 Year and 20 Year Housing Need

The 5 year and 20 year housing need have been generated using the BC HNR Calculator and in accordance with the HNR Method Technical Guidelines which are prescribed by regulation. The six components of the HNR method, when added together, provide the total number of housing units needed for the City of Duncan. The six components of the HNR method include the following:

1. Supply of units to reduce extreme core housing need (those paying more than 50% of income for housing)
2. Supply of units to reduce homelessness
3. Supply of units to address suppressed household formation
4. Supply of units needed to meet household growth over the next 5 or 20 years
5. Supply of units needed to meet at least a 3% vacancy rate
6. Supply of units needed to meet local demand. This component is only included for municipalities.

As illustrated in Table 1 below, using the HNR calculator, the City of Duncan is anticipated to need **327** new housing units within the next **5 years**, and **920** new housing units within the next **20 years**.

**Table 1: Total Housing Unit Need**

Duncan CY (CSD, BC)		
Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	42.22	168.88
B. Persons Experiencing Homelessness	14.23	28.46
C. Suppressed Household Formation	11.72	46.87
D. Anticipated Growth	235.81	583.04
E. Rental Vacancy Rate Adjustment	4.35	17.40
F. Additional Local Demand	18.82	75.28
<b>Total New Units - 5 years</b>	<b>327</b>	
<b>Total New Units - 20 years</b>		<b>920</b>

The Local Government Act requires the OCP and Zoning Bylaw be amended by December 31, 2025, to accommodate the 20 year number of units at a minimum. At present both the 5 year and 20 year need for housing can be accommodated within the existing Official Community Plan and Zoning Bylaw.

## **Actions To Reduce Housing Needs**

The IHNR must include a description of actions taken by the City of Duncan to reduce housing needs since having received the most recent HNR, as per Local Government Act section 790(3)(b)(ii). The current HNR was received in February 2021. The following list reports significant actions taken by the City since this time.

**Dwelling Units Complete and Under Construction:** Since 2021, The City has issued occupancy permits for 208 new dwelling units. The City has an additional 185 dwelling units currently under construction, with occupancy anticipated for early to mid 2025 for a total of 393 completed units by end of 2025. The City has issued Development Permits for 309 dwelling units and has 579 dwelling units that are currently under consideration through 4 rezoning applications. The City anticipates an additional 887 units could be constructed between 2026-2031, for a total dwelling unit projection 1280 dwelling units constructed between 2021-2031.

**The Village at 610 Truck Road:** The City has approved temporary use permits for up to 40 modular housing units on site for people experiencing homelessness. The Village site also includes individualized support services through which underlying health and social needs are addressed. (Approved to 2026).

**Delegation of Authority Bylaw:** The City has delegated authority to staff all Development Permit and Development Variance Permit approvals (excluding major variances). (Adopted September 2024).

**OCP:** The City adopted a new Official Community Plan containing comprehensive housing policies and land use designations for new housing. (Adopted March 2024).

**SMMUH Zoning:** The City has updated the Zoning Bylaw to be compliant with Small Scale Multi-Unit Housing (SSMUH) legislation to facilitate small-scale multi-unit housing (Adopted June 2024).

**Housing Accelerator Fund (HAF) Award:** The City successfully applied to the federal Housing Accelerator Program. As part of this program, the City is committed to facilitating the development of 313 dwelling units over three years, including 17 missing middle units and 293 other multi-unit housing units (Announced August 2024).

**Affordable Housing Financial Feasibility and Affordability Measures Assessment:** This assessment is being undertaken to define affordability in the City of Duncan, and to standardize the approach of requiring affordable housing in market housing development. (Initiated September 2024).

**DCC Waiver Bylaw:** This bylaw enables Council to waive development cost charges for affordable rental housing and is intended to expedite the process to seek the City's approval to waive or reduce development cost charges for affordable rental housing. (Adopted August 2024).

**Standardizing City Agreements:** The City has developed standardized charges for common agreement types between the City and developers (May 2024).

**Bylaw updates:** A variety of bylaw updates are underway including the Building Bylaw and Works and Services Bylaw, that will support reducing processing times for housing development.

## Housing in Proximity to 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, as per Local Government Act section 790(3)(b)(iii).

The City of Duncan recognizes the importance of providing housing in proximity to alternative forms of transportation as a means of increasing overall affordability. The provision of housing within an interconnected network of sidewalks, bike lanes, and public transit routes allows residents to reduce their reliance on private vehicle ownership, which reduces transportation costs, traffic congestion, and decreases greenhouse gas emissions, contributing to a healthier, more sustainable urban environment.

The City of Duncan's Official Community Plan and Zoning Bylaw designate and permit the highest levels of population density in and around the downtown core, and along the highway corridor. These locations are well connected to transit stops, and within walking distance of services, stores, and amenities. The City of Duncan Transportation and Mobility Strategy includes plans for new protected bike lanes throughout the City connected to and from residential areas outside the City limits, as well as increased number of sidewalks and sidewalk widths throughout the City.

## Appendix A: Housing Data Tables

The following tables follow the HNR Method set out in the HNR Technical Guidelines in generating six components (A-E) of an overall housing need figure. The City of Duncan used the HNR Calculator provided by UBC to complete the IHNR.

These six components are:

- 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 (“demand buffer”).

### Component A: Extreme core housing need calculation

The following tables calculate the new homes required to meet existing Extreme Core Housing Need (ECHN) according to provincial guidelines.

#### Table 1a: Owner and rental households

The following table shows total owner and renter households in the four previous census years.

Duncan CY (CSD, BC)				
Total Households	2006	2011	2016	2021
Owners	1,380	1,350	1,290	1,410
Renters	1,065	1,030	1,085	1,040

#### Table 1b: Extreme core housing need (ECHN)

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.*

Duncan CY (CSD, BC)									
Extreme Core Housing Need	2006		2011		2016		2021		Average ECHN Rate
	#	% of total	#	% of total	#	% of total	#	% of total	
Owners with a mortgage	n/a		n/a		n/a		25	1.77%	1.77%
Renters	150	14.08%	175	16.99%	185	17.05%	75	7.21%	13.83%

**Table 2: 2021 ECHN total**

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

Duncan CY (CSD, BC)			
Total Households	2021 Households	Average ECHN Rate	Households in ECHN
Owners	1,410	n/a	n/a
Owners with a mortgage		1.77%	25.00
Renters	1,040	13.83%	143.88
Total New Units to Meet ECHN - 20 years			168.88

### Component B: Housing units and homelessness

The following table calculates the number of new homes required to meet the needs of the existing population of people experiencing homelessness (PEH), according to provincial guidelines.

**Table 3: Homes required for people experiencing homelessness (PEH)**

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

Duncan CY (CSD, BC)				
Regional Population	Local Population		Regional PEH	Proportional Local PEH
	#	% of region		
87,330	4,645	5.32%	535	28.46
Total New Units to Homelessness Needs - 20 years				28.46

### Component C: Housing units and suppressed household formation

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: 2021 Age of primary household maintainer for owners and renters**

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



Duncan CY (CSD, BC)		
	2006 Households	
Age – Primary Household Maintainer 2006 Categories	Owner	Renter
Under 25 years	15	105
25 to 34 years	120	135
35 to 44 years	195	135
45 to 54 years	215	215
55 to 64 years	205	135
65 to 74 years	205	105
75 years and over	430	230

**Table 4b: 2021 Age of primary household maintainer for owners and renters**

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

Duncan CY (CSD, BC)		
	2021 Households	
Age – Primary Household Maintainer 2021 Categories	Owner	Renter
15 to 24 years	0	60
25 to 34 years	95	185
35 to 44 years	105	170
45 to 54 years	195	95
55 to 64 years	275	230
65 to 74 years	345	170
75 to 84 years	250	100
85 years and over	140	45

**Table 5: Population age**

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

Duncan CY (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	260	515	185	350
	20 to 24 years	255		165	
25 to 34 years	25 to 29 years	240	475	245	485
	30 to 34 years	235		240	
35 to 44 years	35 to 39 years	250	575	275	500
	40 to 44 years	325		225	
45 to 54 years	45 to 49 years	335	675	230	475
	50 to 54 years	340		245	
55 to 64 years	55 to 59 years	310	540	380	740
	60 to 64 years	230		360	
65 to 74 years	65 to 69 years	240	450	355	735
	70 to 74 years	210		380	
75 years and over	75 to 79 years	315	850	265	690
	80 to 84 years	290		220	
	85 years and over	245		205	

**Table 6: 2006 Headship rate**

The following table shows the 2006 headship rate, the percentage of persons heading the household, of each age category for both renters and owners.

Duncan CY (CSD, BC)					
Age Categories – Household Maintainers	2006 Households		2006 Population	2006 Headship Rate	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	15	105	515	2.91%	20.39%
25 to 34 years	120	135	475	25.26%	28.42%
35 to 44 years	195	135	575	33.91%	23.48%
45 to 54 years	215	215	675	31.85%	31.85%
55 to 64 years	205	135	540	37.96%	25.00%
65 to 74 years	205	105	450	45.56%	23.33%
75 years and over	430	230	850	50.59%	27.06%

**Table 7: 2021 Headship rate**

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

Duncan CY (CSD, BC)					
Age Categories – Household Maintainers	2006 Headship Rate		2021 Population	2021 Potential Households	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	2.91%	20.39%	350	10.19	71.36
25 to 34 years	25.26%	28.42%	485	122.53	137.84
35 to 44 years	33.91%	23.48%	500	169.57	117.39
45 to 54 years	31.85%	31.85%	475	151.30	151.30
55 to 64 years	37.96%	25.00%	740	280.93	185.00
65 to 74 years	45.56%	23.33%	735	334.83	171.50
75 years and over	50.59%	27.06%	690	349.06	186.71

**Table 8: Suppressed households**

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.

Duncan CY (CSD, BC)							
Age Categories – Household Maintainers	2021 Potential Households		2021 Households		2021 Suppressed Households		
	Owner	Renter	Owner	Renter	Owner	Renter	Total
15 to 24 years	10.19	71.36	0	60	10.19	11.36	21.55
25 to 34 years	122.53	137.84	95	185	27.53	-47.16	0.00
35 to 44 years	169.57	117.39	105	170	64.57	-52.61	11.96
45 to 54 years	151.30	151.30	195	95	-43.70	56.30	12.59
55 to 64 years	280.93	185.00	275	230	5.93	-45.00	0.00
65 to 74 years	334.83	171.50	345	170	-10.17	1.50	0.00
75 years and over	349.06	186.71	390	145	-40.94	41.71	0.76
<b>Total New Units to Meet Suppressed Housing Need - 20 years</b>							<b>46.87</b>

### Component D: Housing units and anticipated household growth

The following tables calculate the number of new homes required to accommodate an increasing population over 20 years according to provincial guidelines.

Calculation: To estimate AHG, data is drawn from the recently updated BC Stats household projections. Two 20-year growth scenarios are developed and the average of the two scenarios is taken as the new units required for AHG for housing needs calculations:

- The Local Household Growth scenario uses household growth projections for the applicable municipality to determine the number of housing units needed.
- The Regionally Based Household Growth scenario takes the applicable municipality’s or EA’s number of households from the most recent census report, and applies the projected 20-year regional household growth rate (%), to determine the number of housing units needed.

**Table 9: Regional population growth**

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

Duncan CY (CSD, BC)			
Regional District Projections	2021	2041	Regional Growth Rate
Households	37,290	48,258	29.41%

**Table 10: 20-year housing need**

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.

Duncan CY (CSD, BC)				
Growth Scenarios	Regional Growth Rate	Households		New Units
		2021	2041	
Local Household Growth	n/a	2,455	2,899.00	444.00
Regionally Based Household Growth	29.41%	2,455	3,177.08	722.08
Scenario Average				583.04
<b>Total New Units to Meet Household Growth Needs - 20 years</b>				<b>583.04</b>

**Component E: Housing units and rental vacancy rate**

The following table calculates the number of new homes required to restore local vacancy rates to 3% according to provincial guidelines. Please note that in jurisdictions without vacancy rate data, the calculator will default to the provincial vacancy rate, following provincial guidance.

**Table 11: Rental shortage**

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.

Duncan CY (CSD, BC)				
	Vacancy Rate	Occupied Rate	Renter Households	Estimated Number of Units
Target Vacancy Rate	3.00%	97.00%	1,040	1,072.16
Local Vacancy Rate	1.40%	98.60%		1,054.77
<b>Total New Units to Achieve 3% Vacancy Rate - 20 years</b>				<b>17.40</b>

### 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 Housing Demand**

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.

Duncan CY (CSD, BC)	
Component	Result
A. Extreme Core Housing Need	168.88
B. Persons Experiencing Homelessness	28.46
C. Suppressed Household Formation	46.87
E. Rental Vacancy Rate Adjustment	17.40
<b>Total</b>	<b>261.60</b>
Demand Factor	0.29
<b>Total New Units to Address Demand Buffer - 20 years</b>	<b>75.28</b>

## Total 5 year and 20 year housing need

**Table 13: Total housing unit 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.

Duncan CY (CSD, BC)		
Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	42.22	168.88
B. Persons Experiencing Homelessness	14.23	28.46
C. Suppressed Household Formation	11.72	46.87
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E. Rental Vacancy Rate Adjustment	4.35	17.40
F. Additional Local Demand	18.82	75.28
<b>Total New Units – 5 years</b>	<b>327</b>	
<b>Total New Units – 20 years</b>		<b>920</b>

## APPENDIX B: Definitions

**Additional demand (also referred to as the “demand buffer”)** is the number of additional demands for housing within a community beyond the minimum units to adequately house current and anticipated residents. The demand buffer is a ratio of housing price to housing density. The demand buffer is calculated by multiplying the sum of the housing units for ECHN, PEH, PEH, and Rental Vacancy Rate Adjustments to determine additional local housing demand.

**Anticipated Household Growth (AHG)** refers to the additional households required to accommodate an increasing population over the next 20 years.

**Extreme core housing need (ECHN)** refers to private households falling below set thresholds for housing adequacy, affordability or suitability that would have to spend 50% or more of total pre-tax income to pay the median rent for alternative acceptable local housing as defined by Statistics Canada.

**Persons Experiencing Homelessness (PEH)** refers to the supply of permanent housing units required for those currently experiencing homelessness.

**Rental vacancy rate adjustment** refers to the surplus of rental units required to restore local vacancy rates to levels representing a healthy and well-functioning rental market.

**Suppressed Household Formation (SHF)** refers to households that were unable to form between 2006 and 2021 due to a constrained housing environment. For example, a young person may have difficulties and not be able to move out of their parent’s house to form their own household.