



Appendix F

# Interim Housing Needs Report

December 2024

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## Purpose

This Interim Housing Needs Report (IHNR) updates housing needs projections and is intended to be read in conjunction with the existing Housing Needs Report (HNR). The creation of this document is directed through Section 790(3)(b) of the *Local Government Act*, which mandates local governments to produce an Interim Housing Needs Report by January 1, 2025, using Provincial Methodology. A regular HNR is required to be received by December 31, 2028, and will replace this IHNR.

### The IHNR must include the following three components:

- The number of housing units required to meet anticipated need over the next 5 (2021 - 2026) and 20 years (2021 - 2041), as calculated using the HNR Method;
- 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 local government, since receiving the most recent Housing Needs Report, to reduce housing needs.

## Provincial Methodology

The *HNR Method* projects the total number of housing units needed to meet a community's current and future housing demands over 5- and 20-year periods. These projections are based on publicly available data and can be applied to communities of different sizes.

The 5-year and 20-year housing need projections included in this report were generated using the [BC Housing Needs Report \(HNR\) Calculator](#), developed by Housing Assessment Resource Tools (HART) with funding support from CMHC. This calculator automates the majority of provincial requirements for interim HNRs outlined in the [Provincial Methodology Guidelines](#). The method, which consists of six components (Components A-F) of housing need, is detailed below:

- A. Supply of units to reduce Extreme Core Housing Need (ECHN):**  
Those paying more than 50% of income for housing.
- B. Supply of units to reduce homelessness:**  
This includes the provision of appropriate housing to address the needs of homeless individuals.
- C. Supply of units to address suppressed household formation:**  
Households that are unable to form due to economic barriers.
- D. Supply of units for anticipated household growth:**  
Projected housing demand based on expected population growth.
- E. Supply of units needed to meet at least a 3% vacancy rate.**
- F. Housing units reflecting additional local housing demand ("demand buffer"):**  
Housing demand pressures beyond the forecasted needs.



# Housing Needs

## A. Extreme Core Housing Need

A household is in "core housing need" if it must spend 30% or more of its total before-tax income to secure suitable alternative housing in the local market, and its current housing fails to meet at least one of the following standards:

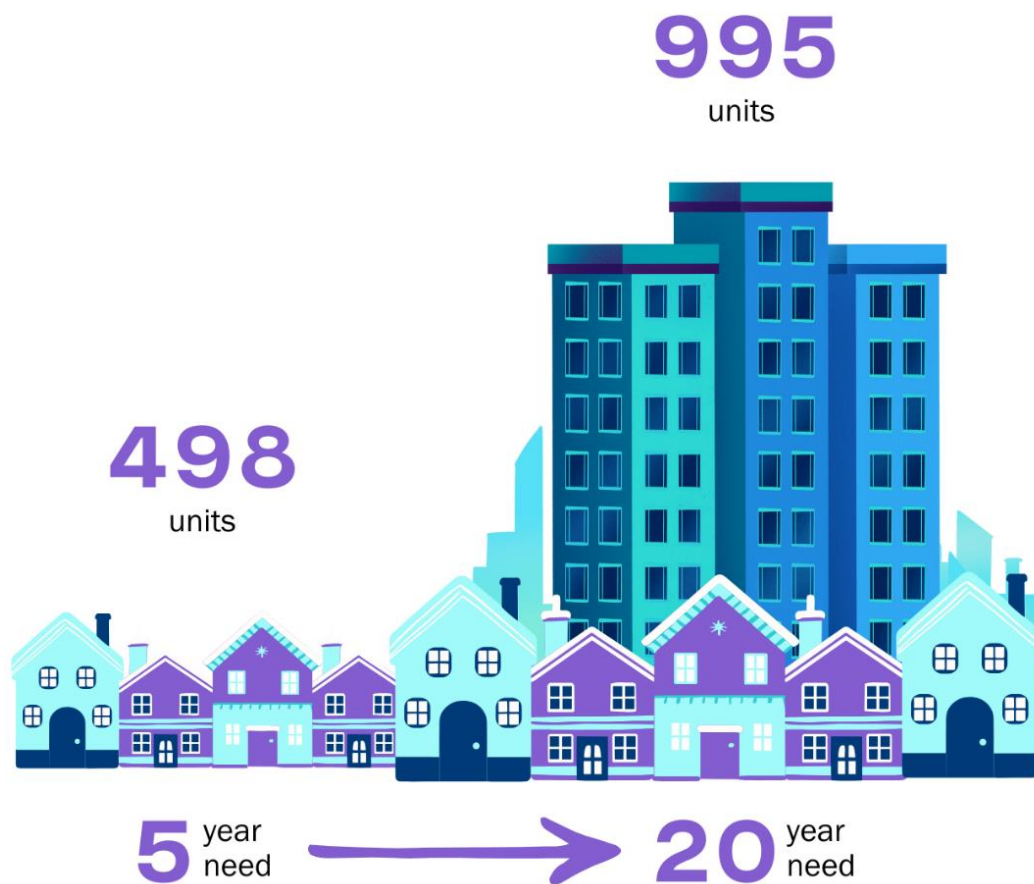
- **Adequacy:** The housing is in good condition and does not require major repairs.
- **Affordability:** Housing costs are less than 30% of the household's before-tax income.
- **Suitability:** The housing has enough bedrooms to accommodate the household size and composition, based on the National Occupancy Standard (NOS).

The Ministry of Housing defines **Extreme Core Housing Need (ECHN)** as households needing to spend over 50% of their before-tax income on housing. To address these needs, **306 housing units** are required by 2026, and **1,224 units** will be needed by 2041.

These projections were calculated using the average rate of households in ECHN from the four most recent census reports, applied to the current number of renter and owner-occupied households.



## B. People Experiencing Homelessness



A total of **498 permanent housing units** by 2026 are needed to house people experiencing homelessness, and **995 permanent housing units** are required by 2041. The total number of housing units required over the short-term is higher than other components to address the urgent needs of this population.

The number of housing units needed for PEH is determined by calculating the local population's share of the regional population and applying that percentage to the regional PEH figure from the Province's most recent Integrated Data Project (IDP) report. The IDP monitors individuals who have received income assistance (e.g., BC Employment Assistance) and who have either been without a fixed address for three consecutive months or have stayed in a BC Housing-affiliated shelter for at least one night, or both. The resulting number of local PEH is used to determine the required housing units, assuming one unit per person.

## B. Suppressed Household Formation

Suppressed household formation occurs when individuals or groups who would typically establish independent households are unable to do so due to constraints such as housing affordability and availability. This situation can result in young adults continuing to live with parents or relatives, multiple families or unrelated individuals sharing a single home, or individuals postponing significant life events like marriage, cohabitation, or starting a family due to a lack of suitable housing options. By 2026, **175 housing units** are needed in Prince George to address the demand from suppressed household formation. To fully meet this projected need by 2041, **699 units** will be required.

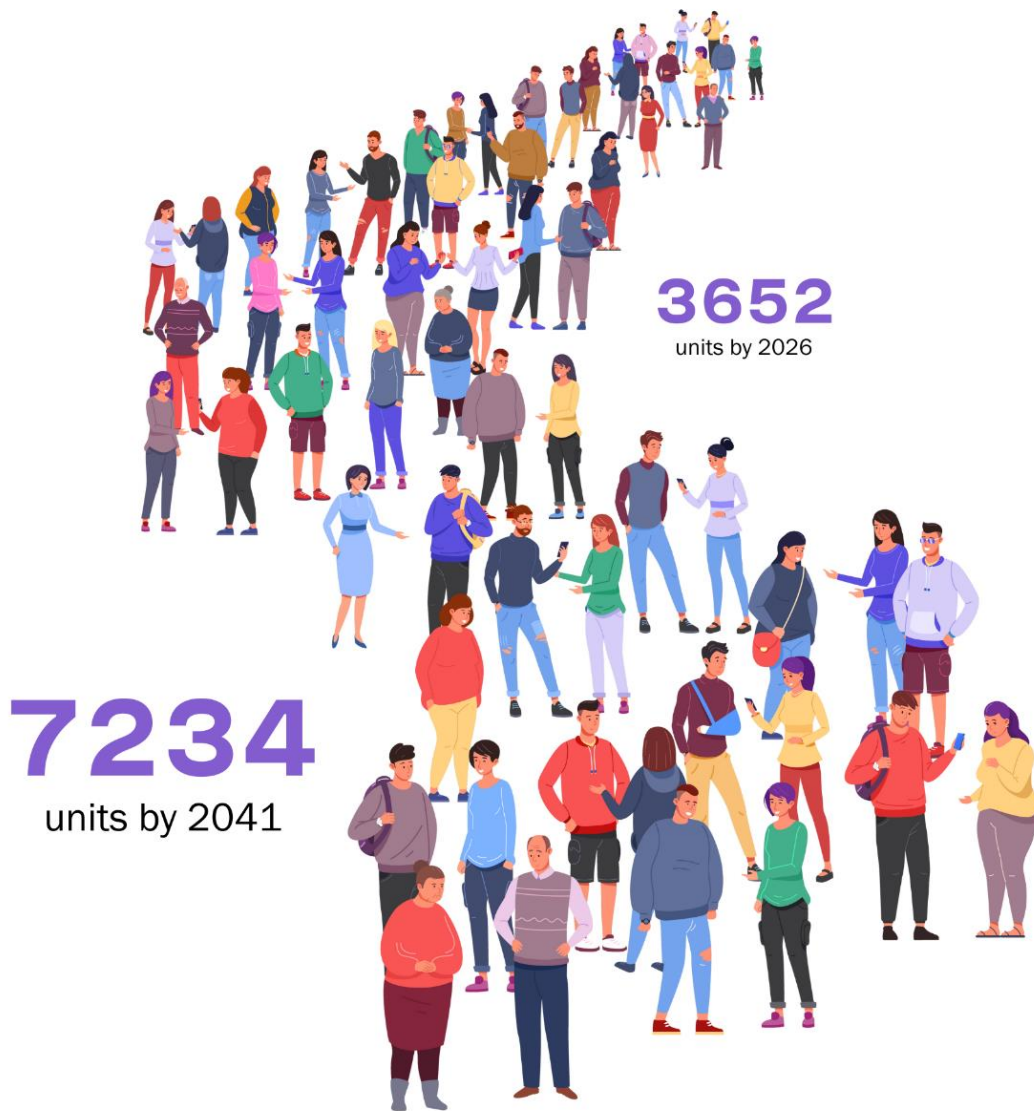


To determine this number, headship rates (the percentage of people in each age group who are heads of households) from the 2006 census are applied to the population data from the most recent census, estimating how many households would have formed under less constrained conditions. The difference between these estimated households and the actual number of households in the most recent census reveals the number of suppressed households, which translates into the number of new units needed.

**175** units by 2026

**699** units by 2041

## C. Anticipated Household Growth



Anticipated household growth refers to the additional households required to accommodate an increasing population. To meet anticipated need created by household growth, **3652 housing units** are needed by 2026. **7,234 units** will be required to accommodate the projected 2041 household growth.

The 5- and 20-year population growth estimates for Prince George were calculated by applying the regional and local growth rates to the current (2021) population of Prince George and averaging the results from each scenario.

## Rental Vacancy Rate Adjustment

A rental vacancy rate adjustment accounts for surplus rental units needed to bring local vacancy rates back to levels that reflect a healthy, well-functioning rental market. To achieve this, **21 additional rental units** are required by 2026, with **85 units** needed by 2041. An optimal vacancy rate is typically between 3% and 5%, with the Province of BC adopting the more conservative target of 3%.

# 3%

These figures were determined by comparing the existing number of rental units to the number required to achieve a 3% vacancy rate, with any shortfall being the number of new units needed to stabilize the market.

## D. Demand Buffer



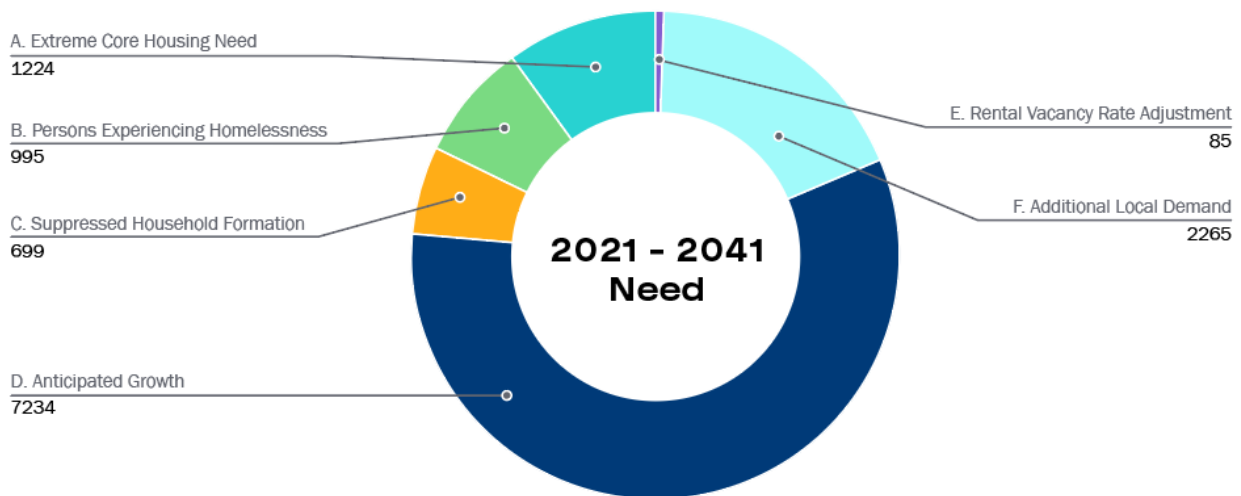
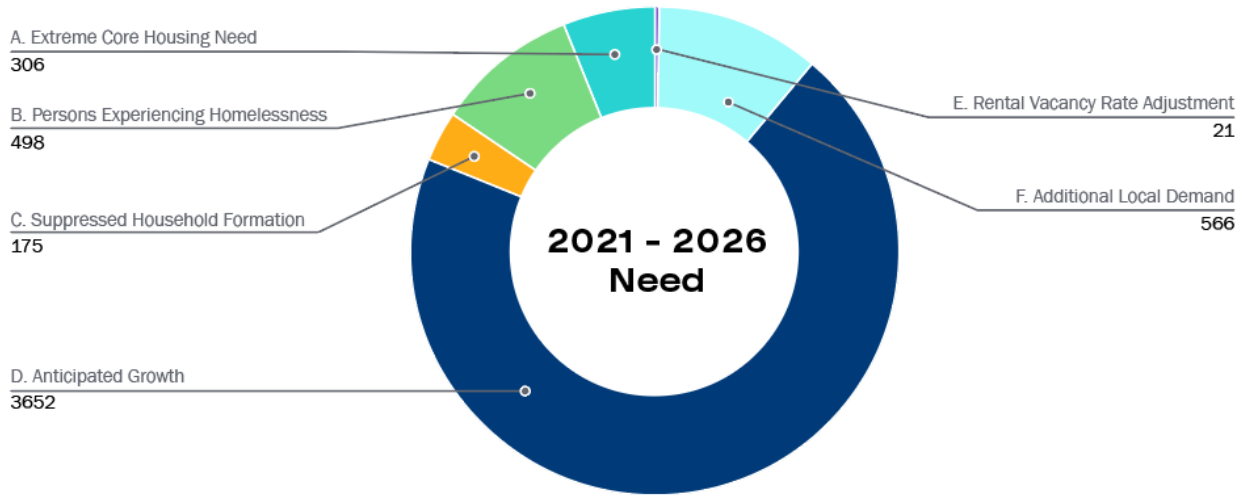
The "Demand Buffer" accounts for additional housing demand beyond the minimum units required to accommodate current and projected residents, providing greater choice in the housing market. By 2026, **566 units** are needed, and **2,265 units** are required by 2041.

This buffer ensures a more accurate assessment of the total units necessary to maintain a balanced and responsive housing market. By considering this extra demand, the housing system can better meet the diverse needs of households, alleviating pressure on the market. Examples include families seeking homes near work or school, growing households needing larger spaces, and seniors looking to downsize.

The demand factor is based on housing price to density ratios determined by the Province and applied to the sum of housing units needed for ECHN, PEH, suppressed household formation, and increasing rental vacancy rates to determine the extra housing demand over 20 years. While below the Provincial average, a demand factor of roughly 0.75 suggests that households desire more options than currently available. Essentially, it highlights a market imbalance where additional housing development is needed to meet local preferences and stabilize prices.



# 5- and 20-year Need Summary



Using the HNR Method, a need for 5,218 new housing units over the next five years (2021-2026) and 12,503 units over the next twenty years (2021-2041) has been identified. This projection considers several key factors: **Extreme Core Housing Need** (306 units by 2026, increasing to 1,224 by 2041), **Persons Experiencing Homelessness** (498 units required by 2026 and 995 by 2041), and **Suppressed Household Formation** (175 units needed by 2026, rising to 699 by 2041). Additionally, **Anticipated Growth** contributes the largest demand, with 3,652 units required in the short term and 7,234 units in the long term. Adjustments for the **Rental Vacancy Rate** and **Additional Local Demand** account for an additional 21 units and 566 units by 2026, respectively, increasing to 85 and 2,265 units by 2041. Together, these components highlight the significant need for new housing to meet existing gaps and projected growth in the community.



## Housing in Proximity to Transit

The City of Prince George acknowledges the significant need for housing located near transportation infrastructure that supports walking, cycling, public transit, and other sustainable modes of travel. The 2021 Housing Needs Report's "What We Heard" section underscores the pressing need for accessible public and active transportation, particularly for renters, non-market housing residents, and individuals with mobility challenges.

In line with this, the 2025 Official Community Plan (OCP) guides settlement patterns that minimize dependency on automobiles and encourage walking, bicycling, and the efficient use of public transit. High- and medium-density residential designations are found along public transit routes and active transportation corridors and includes policy that encourages mixed-use development within central nodes containing public transit exchanges and services. The 2025 OCP also paves the way for zoning bylaw reform, which would see more flexible densities and reduced parking requirements in areas well serviced by transit and active transportation infrastructure. Additionally, the City is preparing to review and update its 2011 Active Transportation Plan, with consultant procurement scheduled for 2025.

## Municipal Action

Since the original 2021 release of the Housing Need Report, the City of Prince George has undertaken numerous initiatives to meet housing needs, detailed below.

**Official Community Plan (OCP) Update:** The OCP Review was publicly launched on September 18, 2023. This long-term, strategic planning document is slated to be complete in early 2025.

**Complete Communities Assessment:** To support the Official Community Plan (OCP) update, the City of Prince George successfully secured provincial funding to conduct a Complete Communities Assessment. This assessment evaluates how well different neighborhoods within the city function as "complete communities," where residents have convenient access to essential services, amenities, and opportunities for daily life.

**Updated Housing Needs Report:** Prior to this interim update, the Housing Needs Report was most recently updated in 2022 to integrate 2021 Census data.

**Bill 44 – Small-Scale Multi-Unit Housing (SSMUH):** On June 12, 2024, Council adopted *City of Prince George Zoning Bylaw No. 7850, 2007, Amendment Bylaw No. 9466, 2024*, in compliance with the Housing Statutes (Residential Development) Amendment Act, 2023 (Bill 44). This legislation mandates a wider variety of housing types in areas historically zoned for single-family or duplex homes.

**Bill 47 – Transit Oriented Development:** Bill 47 requires local governments to designate certain areas adjacent transit stations as Transit-Oriented Areas (TOAs), allowing for higher density and building heights near key transit infrastructure. On June 12, 2024, Council designated the

UNBC Bus Exchange as a TOA, per provincial requirements.

**Memorandum of Understanding:** The MOU between the Ministry of Housing and the City of Prince George was signed on June 14, 2023 and establishes a partnership to address homelessness and encampments through the HEART outreach teams and the HEARTH temporary housing fund. The agreement emphasizes collaboration with Indigenous communities, local partners, and multiple levels of government, focusing on culturally safe, person-centered approaches to improve health, safety, and access to housing. Both parties are working to prevent future homelessness by creating diverse housing options and coordinating services, though the MOU itself is not legally binding.

**Land Provisions for Supportive and Temporary Housing:** Since 2021, the City of Prince George has contributed land for two key developments to address homelessness in the community and permit over 140 supportive or temporary housing units. These initiatives reflect the City's commitment to meeting housing needs for persons experiencing homelessness.

**Creation of Housing Development Liaison Position:** With support from Northern Development Initiative Trust (NDIT), new City staff focuses on improving housing policy and processes, while collaborating with non-profits, housing developers, and other levels of government to enhance housing development.

### **Housing Accelerator Fund (HAF)**

**Application:** The City has submitted applications to both Rounds 1 and 2 of the HAF, administered by the Canadian Mortgage and Housing Corporation, to secure funding for local housing strategies and accelerate development.

**Housing Action Strategy Development:** A comprehensive Housing Strategy is complete and aims to support a range of housing projects through financial and non-financial incentives.

### **Upgrading Permitting Software:**

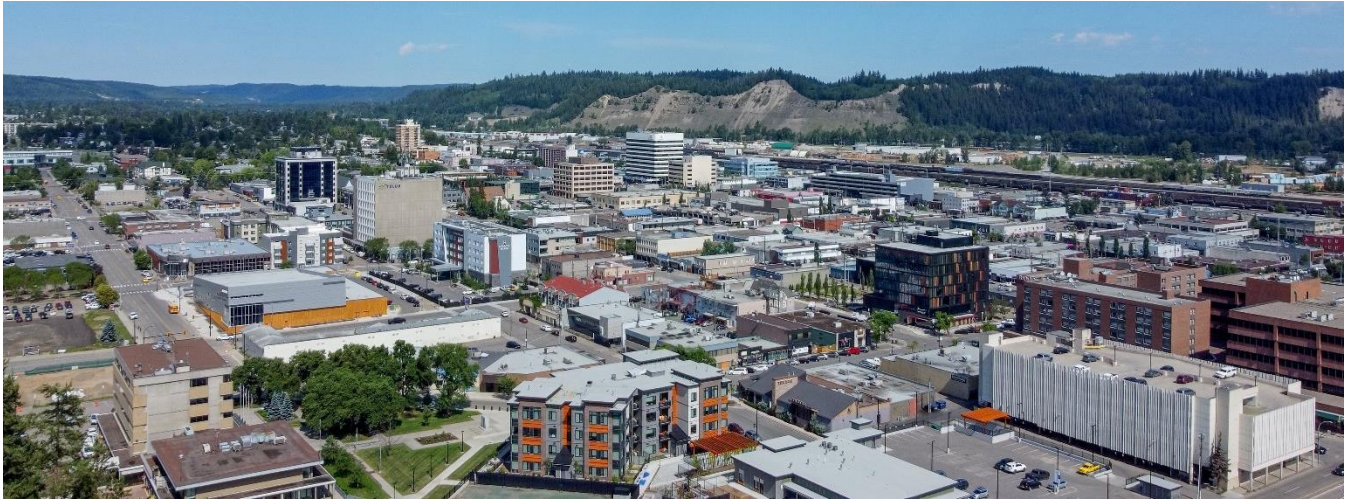
Implementation of new City-wide permitting and file management software is underway to improve efficiency and reduce processing timelines.

**Land-Use Bylaw Process Changes:** As of June 24, 2024, Legislative Services has revised the City's approach to the land-use application process, consolidating Council readings and reducing application timelines, especially for OCP-compliant rezoning applications.

**Delegated Minor Variances:** On August 28, 2023, the City of Prince George adopted *Development Procedures Bylaw No. 9423, 2023*, allowing an Authorized Person to approve minor development variances without requiring Council approval. This change expedites the process for variances related to development regulations, parking, and landscaping, reducing overall development timelines.

## Conclusion

In conclusion, this Interim Housing Needs Report builds upon the foundations of the previous Housing Needs Report, offering an updated analysis of the City of Prince George's housing needs over the short and long-term using provincial methodology. This report, developed in compliance with Section 790(3)(b) of the Local Government Act, integrates projections derived from HART's BC Housing Needs Report Calculator to meet provincial requirements. It highlights the critical need for housing to address extreme core housing needs, homelessness, suppressed household formation, a healthy vacancy rate, and future growth and demand, while emphasizing the importance of proximity to transit infrastructure. The IHNR also provides a summary of recent actions taken by the City to address these needs, including updated bylaws, partnerships with BC Housing, and changes to internal processes. Together, these efforts form a strategic approach to meeting housing needs and supporting the community's growth and sustainability.



## Data Tables

### A. Extreme Core Housing Need

Total Households	2021 Households	Average ECHN Rate	Households in ECHN
Owners	21660	n/a	n/a
Owners with a mortgage	21660	0.95%	205
Renters	10130	10.05%	1019
Total New Units to Meet ECHN - 20 years	nan	nan	1224
Total New Units to Meet ECHN - 5 Years	nan	nan	306

### B. Persons Experiencing Homelessness

Regional Population	Local Population	Local Population % of region	Regional PEH	Proportional Local PEH
95295	75155	79%	1262	995
None	None	None	None	None
Total New Units to meet Homelessness Needs - 20 years	nan	nan	nan	995
Total New Units to meet Homelessness Needs - 5 years	nan	nan	nan	498

### C. Suppressed Household Formation

Age Categories – Household Maintainers	2021 Potential Owner Households	2021 Potential Rental Households	2021 Owner Households	2021 Renter Households	2021 Suppressed Owner Households	2021 Suppressed Renter Households	2021 Total Suppressed Households
15 to 24 years	373	1138	320	1115	53	23	76
25 to 34 years	3241	2473	2860	2595	381	-122	259
35 to 44 years	3992	1533	3790	1700	202	-167	35
45 to 54 years	4378	1232	4215	1395	163	-163	1
55 to 64 years	5096	1008	4615	1455	481	-447	34
65 to 74 years	3882	1063	3600	1050	282	13	295
75 years and over	1985	1014	2275	820	-290	194	0
Total New Units to Meet Suppressed Housing Need - 20 years	nan	nan	nan	nan	nan	nan	699
Total New Units to Meet Suppressed Housing Need - 5 years	nan	nan	nan	nan	nan	nan	175

## D. Anticipated Household Growth

### 20 Year Scenario

Growth Scenarios	Growth Rate	Households 2021	Households 2041	New Units
Local Household Growth	24.83%	31795	39689	7894
Regionally Based Household Growth	20.68%	31795	38370	6575
Scenario Average	nan	nan	nan	7234
<b>Total New Units to Meet Household Growth Needs - 20 years</b>	<b>nan</b>	<b>nan</b>	<b>nan</b>	<b>7234</b>

### 5 Year Scenario

Growth Scenarios	Growth Rate	Households 2021	Households 2026	New Units
Local Household Growth	12.27%	31795	35697	3902
Regionally Based Household Growth	10.70%	31795	35197	3402
Scenario Average	nan	nan	nan	3652
<b>Total New Units to Meet Household Growth Needs - 5 years</b>	<b>nan</b>	<b>nan</b>	<b>nan</b>	<b>3652</b>

## E. Rental Vacancy Rate Adjustment

	Vacancy Rate	Occupied Rate	Renter Households	Estimated Number of Units
Target Vacancy Rate	3%	97%	10130	10443
Local Vacancy Rate	2%	98%	10130	10358
Total New Units to Achieve 3% Vacancy Rate - 20 years	nan	nan	nan	85
Total New Units to Achieve 3% Vacancy Rate - 5 years	nan	nan	nan	21

## F. Demand Buffer

Component	Result
A. Extreme Core Housing Need	1223.54
B. Persons Experiencing Homelessness	995.28
C. Suppressed Household Formation	698.93
E. Rental Vacancy Rate Adjustment	85.43
Total	3003.18
Demand Factor	75%
Total New Units to Address Demand Buffer - 20 years	2265.2
Total New Units to Address Demand Buffer - 5 years	566.3

## Total 5- and 20-Year Need

Component	5 Year Need (2021 - 2026)	20 Year Need (2021 - 2041)
A. Extreme Core Housing Need	306	1224
B. Persons Experiencing Homelessness	498	995
C. Suppressed Household Formation	175	699
D. Anticipated Growth	3652	7234
E. Rental Vacancy Rate Adjustment	21	85
F. Additional Local Demand	566	2265
Total New Units – 5 years	5218	nan
Total New Units – 20 years	nan	12503