

AUTUMN  
2024

# CITY OF POWELL RIVER 5- AND 20-YEAR INTERIM HOUSING NEEDS REPORT



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# 1 Executive Summary

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City of Powell River has prepared 5- and 20-year housing needs estimates using the 'Housing Needs Report Method' prescribed by the Province. The analysis has resulted in the following housing needs:

- 5 YEAR HOUSING NEED
  - 988 new units of housing are needed by 2026
  - 650 of those units (66%) need to be affordable to households that are very low-income, low-income, or moderate-income
  - 273 of the units (28%) need to be affordable rental units at deep subsidy, rent-geared-to-income, or below market rents
  
- 20 YEAR HOUSING NEED
  - 2,543 new units of housing are needed by 2041
  - 1,771 of those units (70%) need to be affordable to households that are very low-income, low-income, or moderate-income
  - 787 of the units (31%) need to be affordable rental units at deep subsidy, rent-geared-to-income, or below market rents

The results suggest that City of Powell River will require significant investment from senior levels of government to deliver affordable rental housing units, and that the development industry in Powell River will need to continue pivoting towards the delivery of centrally located multi-unit housing that households with moderate incomes can purchase. The City has achieved 5-year and 20-year housing needs for market-rate rental housing and is on-track to see sufficient construction of for-purchase homes for above-moderate and high-income households.

New units should consider accessibility needs and those of single-person households, as they are much more likely to be in core housing need or extreme core housing need.

## 1.1 Background

In fall 2023, the province adopted new legislation to enable local governments to deliver more housing, in the right places, faster. The changes included new requirements for local government Housing Needs Reports (HNR). An interim HNR must be completed by January 1, 2025, using the HNR Method calculations to estimate housing need over a 5- and 20-year period. Municipalities must then update their official community plan (OCP) and zoning bylaw by December 31, 2025, to accommodate the identified number of housing units. 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.

Important documents include:

- [Summary of Legislative and Regulatory Requirements for Housing Needs Reports](#) (June 2024)
- [Guidelines for Housing Needs Reports – HNR Method Technical Guidance](#) (June 2024)
- [Housing Assessment Resource Tool at University of British Columbia](#) (July 2024)

The interim HNR includes:

1. The number of housing units needed over the next 5- and 20-years, calculated using the HNR Method;
2. Statements about the seven key areas of local need, including the need for housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit or other alternative forms of transportation;
3. The number and percentage of households in core housing need and extreme core housing need;
4. A description of the actions taken by the local government since receiving the most recent housing needs report to reduce housing needs; and,
5. The change, if any, in the number of housing units needed since the last Housing Needs Report.

## 2 Number of Housing Units Needed

Using the Housing Assessment Resource Tool calculator, City of Powell River’s housing needs are as follows. The calculations used for each component listed in the table are attached as Appendix A: HNR Method Technical Tables.

Component. Supply of units needed to....	5 Year Need	20 Year Need
A. Reduce Extreme Core Housing Need	63.94	255.74
B. Reduce Homelessness	19.43	38.85
C. Address Suppressed Household Formation	96.88	387.51
D. Meet Anticipated Household Growth	617.49	1,101.08
E. Improve Residential Vacancy Rate to 3% or better	9.74	38.95
F. Additional Units Needed to Meet Local Demand	180.27	721.06
<b>Total New Units – 5 years</b>	<b>988</b>	
<b>Total New Units – 20 years</b>	<b>2,543</b>	

Estimated housing need is based on a variety of components that address population growth, suppressed household formation, and a mismatch in housing supply and housing need for rental and ownership housing.

In terms of population growth, the HNR Method averages census household growth projections under two growth scenarios:

- The Local Household Growth scenario uses household growth projections for City of Powell River to determine the number of housing units needed; and,
- The Regionally Based Household Growth scenario takes City of Powell River’s number of households from the most recent census report and applies the projected 20-year *qathet region* household growth rate (%), to determine the number of housing units needed.

The next section, “Key Areas of Local Need”, recommend the distribution of new units in order to meet key areas of local need.

### 3 Key Areas of Local Need

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The City of Powell River *Housing Implementation Plan* (2022) sets out ways that City of Powell River can address the community’s housing needs, with a particular focus on the 60% of the population that is very low-income, low-income, and moderate-income. The plan took data from the *gathet Regional Housing Needs Report* (2020), updated 2016 Census data to reflect findings from the 2021 Census, and set housing targets using local incomes as the primary analysis lens. This Report updates the *Housing Implementation Plan* housing targets by using the “HNR Method” calculations.

#### 3.1 Defining Affordable housing

According to Canada Mortgage and Housing Corporation, housing is considered affordable when 30% or less of a household’s gross income (pre-tax income) goes towards paying housing costs. This means that an affordable rent or mortgage payment amount is different from household to household. For renters, housing costs include rent, electricity, heating fuel, water, and other municipal services. For owners, housing costs include mortgage payments, strata fees, and utilities but not property taxes.

One way to look at affordability at the community scale, rather than the household scale, is to look at median household income. In City of Powell River in 2020, median household income was \$67,000. This means that half of households in the city earned more than \$67,000 and half earned less. From here, the number of households in various income brackets, or quintiles, can be looked at, as shown in the following table:

Income Quintile	Percent of Median Household Income (\$67,000)	Approximate Gross Household Income (2020)	Number of Households (2020)
Very Low	Less than 50%	Less than \$35,000	1275 (20%)
Low	51 – 80%	\$35,000 to \$49,999	960 (15%)
Moderate	81 – 120%	\$50,000 to \$79,999	1625 (25%)
Above Moderate	121 – 150%	\$80,000 to \$99,999	810 (13%)
High	More than 150%	\$100,000 to \$200,000 or more	1730 (27%)

Following the *Housing Implementation Plan*, the City defines affordable housing as housing that is affordable to very low-income households, low-income households, and moderate-income households as set out in the previous table. This is a crude measure that does not account for household size. **Very low-income, low-income, and moderate-income households in City of Powell River account for 60% of all households in the city**, a proportion that has held steady since 1981.

## 3.2 Comparison between HNR Method and Housing Implementation Plan

The *Housing Implementation Plan* set out the following housing targets:

Income Quintile	Percent of Median Household Income (\$67,000)	Approximate Gross Household Income (2020)	Estimated Number of Housing Units needed 2021 - 2026
Very Low	Less than 50%	Less than \$35,000	88
Low	51 – 80%	\$35,000 to \$49,999	58
Moderate	81 – 120%	\$50,000 to \$79,999	446
Above Moderate	121 – 150%	\$80,000 to \$99,999	32
High	More than 150%	\$100,000 to \$200,000 or more	146
<b>TOTAL</b>			<b>770</b>

The *Housing Implementation Plan* housing target only reflects anticipated population growth. By contrast, the HNR Method considers population growth to be one of six components ('Component D'). The other five components account for new units needed to address structural issues in the housing market, such as low rental vacancy, homelessness, extreme core housing need, and suppressed household formation. As a result, the HNR Method results in a higher number of housing units needed.

Applying the HNR Method to the *Housing Implementation Plan* framework results in the following 5- and 20-year housing targets:

Income Quintile	Percent of Median Household Income (\$67,000)	Approximate Gross Household Income (2020)	Estimated Number of Housing Units needed 2021 - 2026	Estimated Number of Housing Units needed 2021 - 2041
Very Low	Less than 50%	Less than \$35,000	237	633
Low	51 – 80%	\$35,000 to \$49,999	205	565
Moderate	81 – 120%	\$50,000 to \$79,999	208	573
Above Moderate	121 – 150%	\$80,000 to \$99,999	107	241
High	More than 150%	\$100,000 to \$200,000 or more	233	532
<b>TOTAL</b>			<b>988</b>	<b>2,543</b>

The following section describes how the HNR Method 5- and 20-year housing need targets were allocated for each income quintile:

### 3.2.1 HNR Method Component A: Housing units for households in extreme core housing need

Extreme core housing need, as defined by Statistics Canada, refers to private households falling below set thresholds for housing adequacy, affordability, or suitability that would have to spend 50% (as compared to 30% for core housing need) or more of total pre-tax income to pay the median rent for alternative acceptable local housing. The Province did not provide data that sheds light on the household income of households spending more than 50% of their income in housing.

The calculations in Appendix A, Component A, estimate that 256 new units of housing are needed to address extreme core housing need. The HNR Method estimates that 201 of those units are needed for renter households, and 55 units are needed for owner households.

This analysis assumes that the 256 new units needed in the next 20 years to address extreme core housing need are split evenly between very low-, low-, and moderate-income household quintiles, with all 55 ownership units assigned to the moderate household income quintile.

### 3.2.2 HNR Method Component B: Housing units for individuals experiencing homelessness

The provincial data estimates the number of people within City of Powell River and qathet Regional District experiencing homelessness based on the Province's Preventing & Reducing Homelessness Integrated Data Project, which complements the annual point-in-time homelessness count (i.e. they are two separate datasets). To be included in IDP counts, individuals must have received income assistance (i.e., BC Employment Assistance) and had no fixed address for three consecutive months or stayed in a BC Housing-affiliated shelter for at least one night, or both.

The calculations in Appendix A, Component B, estimate that 39 new units of non-market rental housing are needed in 20 years for people experiencing homelessness.

This analysis assumes that all 39 new rental units needed in the next 20 years to address homelessness are assigned to the very low-income quintile, rental housing.

### 3.2.3 HNR Method Component C: Housing units for suppressed households

In addition, the HNR Method includes calculations for suppressed housing formation. Suppressed housing formation means that had additional appropriate housing supply been available between 2006 and 2021, additional households would have formed. Instead, due to the lack of supply, people may live with grandparents/parents/children in extended family households, separated households may stay together, or people find roommates. The HNR Method calculations have three built-in assumptions that may or may not be correct for Powell River:

- people would rather not live with extended family or roommates (which does not account for cultural factors where intergenerational living may be desired);
- the proportion of each age category that was a head of household in 2006 should be the same today; and
- the proportion of renters and owners in each age category in 2006 is achievable today.

The calculations in Appendix A, Component C, estimate that 387 new units of rental and ownership housing are needed in 20 years to address suppressed household formation. The data suggests that the following housing types are needed:

- 45 rental units and 59 ownership units for young adults;
- 100 ownership units for adults in their middle years, including approximately 50 renter households who would like to purchase; and,
- 90 rental and 93 ownership units for seniors, with a focus on units that seniors can downsize to.

The HNR Method results suggest that a substantial portion of suppressed households want to purchase a home, meaning that the current supply of homes for sale does not align well with potential buyers' ability to pay. For the suppressed households that want to rent, the issue is likely a lack of supply in rental housing. As of 2024, the current rental vacancy rate is 1.6%<sup>1</sup> (3-5% is a healthy vacancy rate). It also suggests the need for studio and 1-bedroom condominium units. As a result, this analysis assigns the suppressed household units equally to the very low-, low-, and moderate-income quintiles, and assumes a split of renter versus owner households that aligns with the historical averages in each quintile.

### 3.2.4 HNR Method Component D: Housing units for anticipated household growth

The largest component of the 20-year housing need is anticipated population and household growth. Growth is based on an estimation of births, deaths, intra-provincial migration, and Canada-wide migration, as well as assumptions about household sizes and household formation. The *Housing Implementation* Plan's housing targets were based only on a population growth component, and the population growth estimate was based on a BC Stats population projection for City of Powell River. The HNR Method calculates anticipated growth differently in two ways:

- The HNR Method measures growth by household instead of population; and,
- The HNR Method averages region-wide household growth with citywide household growth.

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<sup>1</sup> Parcel Economics. 2024. Powell River Downtown Plan Land Use Feasibility Study. Available online: [Powell River Downtown Plan Land Use Feasibility Study](#). Last accessed: November 28, 2024.

As a result, HNR Method results in 617 new units of housing needed in 5 years, compared to the *Housing Implementation Plan's* 5-year target of 770 units.

The calculations in Appendix A, Component D, estimate that 1,101 new units of rental and ownership housing are needed in 20 years to account for anticipated growth.

This analysis assigns the 1,101 new units needed to address 20-year household growth proportionally across the income quintiles based on the average distribution of household income quintiles across the last four Census periods. To explain, since 1981, very low-, low-, and median-income households have made up about 60% of all households in City of Powell River. CERB payments during the COVID-19 pandemic helped raise household incomes, with a noticeable effect of reducing the number of low-income households and increasing the number of moderate-income households. Using long-term historical averages help to smooth out shorter-term policy impacts and the effect of inflation.

As a result, even though 25% of all households in City of Powell River were moderate-income households for the 2021 Census, this analysis assumes that 19% of all households will be moderate-income households in 2026 and 2041, which is the average percent of households in the moderate-income quintile measured across the 2006, 2011, 2016, and 2021 Census years. So, 19% of the 1,101 new units (209 units) in Component D were assigned to the moderate-income quintile, and so on for the other quintiles. The historical averages for the proportion of renter versus owner households in each quintile was also used to estimate the number of new units needed by tenure as a result of growth.

Income Quintile	Percent of Median Household Income (\$67,000)	Approximate Gross Household Income (2020)	2021 Census Households	2026 Projected Households	2041 Projected Households
Very Low	Less than 50%	Less than \$35,000	1,275 (20%)	1,410 (20%)	1,507 (20%)
Low	51 – 80%	\$35,000 to \$49,999	960 (15%)	1,298 (19%)	1,387 (19%)
Moderate	81 – 120%	\$50,000 to \$79,999	1,625 (25%)	1,329 (19%)	1,421 (19%)
Above Moderate	121 – 150%	\$80,000 to \$99,999	810 (13%)	926 (13%)	990 (13%)
High	More than 150%	\$100,000 to \$200,000 or more	1,730 (27%)	2,044 (29%)	2,185 (29%)
<b>TOTAL HOUSEHOLDS</b>			<b>6,390</b>	<b>7,007</b>	<b>7,491</b>

### 3.2.5 HNR Method Component E: Housing units required to increase the rental vacancy rate to 3%

Other components of the HNR Method calculate the number of rental housing units needed. For example, the calculations for homelessness, extreme core housing need, and suppressed household formation include numbers of rental housing that are needed in the next 5 and 20 years. Component E calculates the additional number of rental housing units needed to increase the supply of rental housing such that the rental vacancy rate would be eased to a more comfortable 3%.

The calculations in Appendix A, Component E, estimate that 39 new units of rental housing are needed in 20 years to bring the vacancy rate to 3%.

This analysis assigns these units to the very low-, low-, and moderate-income quintiles.

### 3.2.6 HNR Method Component F: Housing units for additional local demand (the “demand buffer”)

The “demand buffer” is intended to capture additional demand for housing within a given community, beyond the minimum units required to adequately house current and anticipated residents. The “demand buffer” helps address the needs of households who require or prefer housing with certain characteristics to reduce 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, B, C, and E to determine the additional local housing demand. Because Powell River is in a regional district with one municipality, the province set the demand factor as the midpoint of all demand factors (value = 1.0).

The calculations in Appendix A, Component F, estimate that 721 new units of housing are needed in 20 years to provide a demand buffer.

This analysis assigns the demand buffer units proportionally across the five income quintiles, based on historical averages 2006-2021 for renter and owner tenure and the proportion of households in each income quintile.

The table attached as Appendix B shows how the HNR Method components are assigned to income quintiles.

### 3.3 Households in Core Housing Need

According to Statistics Canada and CMHC, a household is in core housing need if its housing does not meet one or more of the standards related to housing adequacy, suitability and affordability, and if it would have to spend 30% or more of its pre-tax income to access acceptable local housing. Only private (i.e. not congregate living), non-farm, non-reserve and owner- or renter-households with incomes greater than zero and shelter-cost-to-income ratios less than 100% are assessed for 'core housing need.' Extreme core housing need is defined in the *Housing Needs Report Regulation* and refers to households in core housing need where housing costs are more than 50% of total pre-tax household income.

Historically, about 11% of all households in City of Powell River have been in core housing need from 2006 through 2021, with 5% (one in 20) owner households experiencing core housing need and 32% (one in 3) renter households experiencing core housing need. The figures have been relatively steady across the 2006 through 2021 Census years.

About 4% of all households (one in 25) are in extreme core housing need. In 2021, this meant 170 households had housing costs of more than 50% of gross household income, with 41% of households owning and 59% renting<sup>2</sup>.

The number of households in core and extreme core housing need decreased in 2021, likely due to additional financial supports given to households during the COVID-19 pandemic.

### 3.4 Statements About Key Areas of Local Need

Housing Needs Reports are required to include statements about the following areas of local housing need.

#### 3.4.1 Affordable housing

City of Powell River defines affordable housing as housing that is affordable to very low-income, low-income, and moderate-income households (defined in the *Housing Implementation Plan* as households that earn 120% or less of median household income).

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<sup>2</sup> Statistics Canada. 2022. Table 98-10-0247-01 Core housing need by tenure including presence of mortgage payments and subsidized housing: Canada, provinces and territories, census divisions and census subdivisions. Available online: [Core Housing Need by Tenure](#). Last accessed: November 28, 2024.

This analysis estimates that the following number of affordable housing units are required to meet 5-year and 20-year demand:

- 650 new units of affordable housing by 2026, which is 66% of all new units
- 1,771 new units of affordable housing by 2041, which is 70% of all new units

It is estimated that affordable housing is needed in a variety of unit sizes, from studios through to three-bedroom units. People on fixed income or in receipt of income assistance, such as seniors or people with disabilities, are likely to be very low-income households. Lone parents are also much more likely to need deeply affordable housing. Please review the *qathet Region Poverty Reduction Report (2020)* and *Ending Poverty Strategy (2021)* for more detail.

### 3.4.2 Rental housing

Looking at the 2006, 2011, 2016, and 2021 Census data for renter and owner households, the following trends stand out:

- The proportion of 75% owner households to 25% renter households has held relatively steady.
- Renter households exist in all income quintiles over the four census years:
  - Very low-income households: 46% to 60% of households rent (the trend shows a reduction in renter households from 60% to 46% in 2016, which may be due to fixed income households with no or low mortgage payments or a shift to a higher income quintile)
  - Low-income households: 20% to 31% renters (the trend shows an increasing proportion of renters in this quintile)
  - Moderate-income households: 21% to 26% of households rent (this quintile has remained steady from 2006 to 2021)
  - Above moderate-income households: 10% to 22% of households rent (the trend has been 10% renters, but went up to 22% in 2021, indicating that households that historically would purchase a home have not been able to due to home prices)
  - High-income households: 3% to 9% of households rent.
- Renter households are much more likely to be very low-, low-, and moderate-income households. The share of moderate-income households that rent has increased, while the share of very low-income households that rent has decreased.

This analysis estimates that the following types of rental housing are needed to meet 5- and 20-year demand:

	<b>Estimated Max Rent (2021)</b>	<b>5-Year Need (Units)</b>	<b>20-Year Need (Units)</b>
Deeply Affordable Rental	\$972	145	397
Rent Geared to Income Rental	\$1,389	72	221
10% Below Market Rental	\$2,000	56	168

This indicates that City of Powell River will require substantial investment from senior levels of government to subsidize the construction and operations of rental housing buildings that are affordable for local incomes.

### 3.4.3 Special needs housing

According to the 2017 Canadian Survey on Disability, more than 6 million Canadians aged 15 and over (22% of the population) identify as having a disability. In British Columbia, the proportion is higher, with more than 926,000 British Columbians aged 15 and over (25% of the population) identifying as having a disability. In fact, the actual number of people with disabilities is quite likely to be higher. This means that there is a substantial portion of the community whose daily needs and requirements to participate in community life must be addressed.

Accessible homes benefit everyone. When homes are designed to be physically accessible, not only can a person age in their home, but the home is also set up so that someone can be more comfortable and independent during an illness or injury. Design considerations that make a home accessible for a wheelchair or mobility aids also make that home spacious enough to store and use a stroller.

There is an intersection between disability and poverty, and so it is important that affordable housing also be accessible housing. According to the 2017 Canadian Survey on Disability, only 59% of Canadians with disabilities aged 25 to 64 are employed, compared to 80% of Canadians without disabilities. Persons with disabilities earn less than Canadians without disabilities (12% less for those with milder disabilities and 51% less for those with more severe disabilities) and are more likely to live in poverty.

The Accessible Canada Act (2019) has the goal of creating a barrier-free Canada through the proactive identification, removal, and prevention of barriers to accessibility within areas of federal jurisdiction. Accessibility standards under this act have not yet been developed. Similarly, the Accessible British Columbia Act (2020) starts the conversation about accessibility in BC. Currently, B.C. does not have comprehensive legislation to help identify, remove, and prevent barriers experienced by persons with disabilities, and specific regulations remain in development. The BC Building Code has a number of accessibility requirements, primarily for public gathering buildings, office buildings, commercial buildings, and hotels. There are also requirements for parking configuration, washroom design, and interior hallway access. More information is available in the Building Accessibility Handbook (2020) developed by the Building and Safety Standards Branch.

New housing should be built so that it is easy to adapt the home to be fully accessible and so that people with physical disabilities can visit the home or live in the home once it has been adapted. Given the statistics summarized in this section, a good argument can be made for requiring 25% of all new units to be built to a fully accessible standard.

For people with complex needs, such as substance use, mental health, and/or an intellectual disability, single-occupancy units as part of a broader supportive housing living arrangement are needed more than shared housing. This could be accommodated with townhouses,

rowhouses, and multi-plexes. Additionally, accessibility is a key requirement for congregate housing. Congregate housing can help alleviate loneliness, isolation, and poverty within the senior population.

There is a strong need in Powell River for long-term care. Currently the wait time for a long-term care space is three months. The community also needs more assisted living facilities, particularly as the proportion of residents who are seniors continues to increase. This will require more nursing and staff capacity, such as home support workers, but the lack of affordable housing is making hiring and retaining staff very challenging.

### 3.4.4 Housing for seniors

Powell River has a higher proportion of seniors compared to the average for BC (30.9%<sup>3</sup> and 20.3%<sup>4</sup>, respectively, as of the 2021 Census), and this trend is expected to continue. As seniors downsize from larger family homes that were built in the 1950s through 1970s, we expect to see an increased demand for:

- Level entry access to buildings;
- Single-level homes;
- Homes with good storage;
- Homes with access to garden areas and social gathering areas;
- Homes with low maintenance exteriors;
- Homes easily accessible by transit and within walking distance to a range of services and amenities; and,
- Pick-up and drop-off areas for private vehicles and transit.

### 3.4.5 Housing for families

City of Powell River's housing stock is largely 3+ bedroom single detached homes. This means there is a good supply of family-sized homes. That said, the cost to purchase most of these homes is not achievable for very low-income, low-income, and moderate-income households.

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<sup>3</sup> Statistics Canada. 2021. City of Powell River Census Profile, 2021 Census of Population. Available online: [City of Powell River Census Profile, 2021 Census of Population](#). Last accessed: November 29, 2024.

<sup>4</sup> Statistics Canada. 2021. British Columbia Census Profile, 2021 Census of Population. Available online: [British Columbia Census Profile, 2021 Census of Population](#). Last accessed: November 29, 2024.

First-time buyer moderate-income households generally have a maximum purchase price of approximately \$350,000, suggesting that there is a market for family-sized attached housing units, such as multi-plexes and townhomes.

### 3.4.6 Shelters for individuals experiencing homelessness and housing for individuals at risk of homelessness

Since fall 2018, the City of Powell River has benefited from a 20-bed emergency shelter, which regularly operates at capacity. BC Housing has identified the need for a second supportive housing building that would include a purpose-built shelter with up to an additional 20 beds to provide homes for individuals experiencing homelessness. In addition, there's a need for transitional housing for supportive housing tenants who are more self-sufficient. Area non-profits have also identified the need for more licensed residential care and group homes.

### 3.4.7 Housing in close proximity to transportation infrastructure that supports walking, bicycling, public transit, and alternative forms of transportation

The City's Sustainable Official Community Plan (2014) is based on smart growth principles and contains numerous objectives and policies encouraging walkable communities, active transportation, and locating new growth to existing services. As a result, it is recommended that new development be directed towards Urban Residential land use designations that are close walking/rolling distance to amenities, along transportation corridors, in areas serviced by infrastructure.

## 4 Looking Back

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Since preparation of the 2021 qathet Regional Housing Needs Report, City of Powell River has:

- Prepared a Housing Implementation Plan with specific actions needed to address housing needs;
- Reduced restrictions on secondary suites (no limit on size);
- Reduced restrictions on carriage houses (now allowed in all zones and can accommodate family-size units);
- Worked with BC Housing on the delivery of a second supportive housing building and permanent shelter
- Published an Expression of Interest to seek a partner to develop City-owned land for affordable housing; and,
- Supported the development of purpose-built rental housing.

Progress as of end of August 2024 towards the 5- and 20-year housing targets are attached as Appendix C.

APPENDIX A: HNR Method Technical Tables

The HNR Method is the standardized method for calculating the number of housing units needed over 5 and 20 years, as required by the *Housing Needs Reports Regulation*.

## Component A: Extreme core housing need calculation

The Component A tables calculate the new homes required to meet existing Extreme Core Housing Need (ECHN).

**Table 1a:** total owner and renter households in the four previous census years (Step 1).

Total Households	2006	2011	2016	2021
Owners	4,380	4,610	4,565	4,820
Renters	1,305	1,290	1,510	1,565

**Table 1b:** 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 (Step 2). This helps to minimize short-term policy impacts on income, such as CERB payments. *Please note that data for owners with a mortgage is only available for 2021.*

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	n/a	n/a	n/a	55	1.14%	1.14%
Renters	165	12.64%	220	17.05%	225	14.90%	105	6.71%	12.83%

**Table 2:** estimated total of owners with a mortgage and renter households in ECHN in 2021 (Steps 3 and 4).

Total Households	2021 Households	Average ECHN Rate	Households in ECHN
Owners	4,820	n/a	n/a
Owners with a mortgage		1.14%	55.00
Renters	1,565	12.83%	200.74
<b>Component A: Total New Units to Meet Extreme Core Housing Need - 20 years</b>			<b>255.74</b>

## Component B: Housing units and homelessness

The Component B table calculates the number of new homes required to meet the needs of the existing population of people experiencing homelessness (PEH). People experiencing homelessness (PEH) is a population not typically captured well in data sources such as the census. This component of housing need quantifies the supply of permanent housing units required for those currently experiencing homelessness.

Data on homelessness is derived from the Province’s Preventing & Reducing Homelessness Integrated Data Project (PRHIDP), a program initiated through a partnership between the Ministries of Housing, Social Development and Poverty Reduction, Citizen Services, and BC Housing. The PRHIDP provides data on people experiencing homelessness at any point during the year, as a complement to the annual, one-day point-in-time counts conducted by many local and regional governments. While complementary, please consider that these are separate datasets and the PRHIDP data does not use point-in-time homeless counts as a data source. For this reason, PRHIDP figures will differ from those in the 2023 Point-in-Time Homeless Count, which was conducted between April 16-17 by Lift Community Services and identified 126 individuals in the community as experiencing homelessness. A date for a point-in-time count in 2025 has yet to be determined. To be included in PRHIDP counts, individuals must have received income assistance (i.e., BC Employment Assistance) and had no fixed address for three consecutive months or stayed in a BC Housing-affiliated shelter for at least one night, or both. The data is publicly available at the regional scale, with the most recent year being 2021.

**Table 3:** estimated number of homes required to meet the need of existing PEH households as a proportion of the regional need (Steps 1-3).

Regional Population	Local Population		Regional PEH	Proportional Local PEH
	#	% of region		
21,065	13,640	64.75%	60	38.85
<b>Component B: Total New Units to Meet Local Homelessness Needs - 20 years</b>				<b>38.85</b>

## Component C: Housing units and suppressed household formation

The Component C tables calculate the number of new homes required to meet the demand from households unable to form due to housing costs and limited housing supply. The calculation uses 2006 as a benchmark year for the number of household maintainers in each 5-year population cohort, and then applies that pattern to 2021 population cohorts to estimate the number of missing heads of household in each cohort.

**Table 4a:** number of owner and renter households in 2006 by age of the primary household maintainer (Step 1).

2006 Households		
Age – Primary Household Maintainer 2006 Categories	Owner	Renter
Under 25 years	35	130
25 to 34 years	270	230
35 to 44 years	705	185
45 to 54 years	1,045	220
55 to 64 years	935	160
65 to 74 years	710	175
75 years and over	680	200

**Table 4b:** number of owner and renter households in 2021 by age of the primary household maintainer (Step 1, cont'd).

2021 Households		
Age – Primary Household Maintainer 2021 Categories	Owner	Renter
15 to 24 years	25	110
25 to 34 years	315	245
35 to 44 years	570	220
45 to 54 years	615	210
55 to 64 years	1,195	295
65 to 74 years	1,090	275
75 to 84 years	775	145
85 years and over	240	65

**Table 5:** population by age category in 2006 and 2021 (Step 2).

Age Categories – Household Maintainers	2006			2021	
	Age Categories – Population	All Categories	Summed Categories	All Categories	Summed Categories
15 to 24 years	15 to 19 years	875	1,355	685	1,170
	20 to 24 years	480		485	
25 to 34 years	25 to 29 years	385	925	545	1,215
	30 to 34 years	540		670	
35 to 44 years	35 to 39 years	735	1,735	750	1,480
	40 to 44 years	1,000		730	
45 to 54 years	45 to 49 years	1,055	2,155	690	1,575
	50 to 54 years	1,100		885	
55 to 64 years	55 to 59 years	1,015	1,860	1,135	2,475
	60 to 64 years	845		1,340	
65 to 74 years	65 to 69 years	695	1,320	1,245	2,310
	70 to 74 years	625		1,065	
75 years and over	75 to 79 years	560	1,215	800	1,670
	80 to 84 years	395		475	
	85 years and over	260		395	

**Table 6:** 2006 headship rate of each age category for both renters and owners (Step 3).

Age Categories – Household Maintainers	2006 Households		2006 Population	2006 Headship Rate	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	35	130	1,355	2.58%	9.59%
25 to 34 years	270	230	925	29.19%	24.86%
35 to 44 years	705	185	1,735	40.63%	10.66%
45 to 54 years	1,045	220	2,155	48.49%	10.21%
55 to 64 years	935	160	1,860	50.27%	8.60%
65 to 74 years	710	175	1,320	53.79%	13.26%
75 years and over	680	200	1,215	55.97%	16.46%

**Table 7:** potential 2021 headship rate of each age category for both renters and owners if the headship rate from 2006 remained constant (Step 4).

Age Categories – Household Maintainers	2006 Headship Rate		2021 Population	2021 Potential Households	
	Owner	Renter	Total	Owner	Renter
15 to 24 years	2.58%	9.59%	1,170	30.22	112.25
25 to 34 years	29.19%	24.86%	1,215	354.65	302.11
35 to 44 years	40.63%	10.66%	1,480	601.38	157.81
45 to 54 years	48.49%	10.21%	1,575	763.75	160.79
55 to 64 years	50.27%	8.60%	2,475	1,244.15	212.90
65 to 74 years	53.79%	13.26%	2,310	1,242.50	306.25
75 years and over	55.97%	16.46%	1,670	934.65	274.90

**Table 8:** number of suppressed households by subtracting actual households in 2021 from potential households in 2021 by age category, according to provincial guidelines (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	30.22	112.25	25	110	5.22	2.25	<b>7.47</b>
25 to 34 years	354.65	302.11	315	245	39.65	57.11	<b>96.76</b>
35 to 44 years	601.38	157.81	570	220	31.38	-62.19	<b>0.00</b>
45 to 54 years	763.75	160.79	615	210	148.75	-49.21	<b>99.54</b>
55 to 64 years	1,244.15	212.90	1,195	295	49.15	-82.10	<b>0.00</b>
65 to 74 years	1,242.50	306.25	1,090	275	152.50	31.25	<b>183.75</b>
75 years and over	934.65	274.90	1,015	210	-80.35	64.90	<b>0.00</b>

<b>Component C: Total New Units to Meet Suppressed Housing Need - 20 years</b>	<b>387.52</b>
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## 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. The population growth estimate comes from Statistics Canada, which offers a lower current population estimate (2021) compared to the 2021 population estimate for the Regional District and City of Powell River prepared by BC Stats.

**Table 9:** 20-year population projection and growth rate for the Regional District (Step 1).

Regional District Projections	2021	2041	Regional Growth Rate
Households	10,055	11,890	18.25%

**Table 10:** calculated number of new homes needed in the next 20 years with the average of the municipal and regional growth projections (Steps 2-5).

Growth Scenarios	Regional Growth Rate	Households		New Units
		2021	2041	
Local Household Growth	n/a	6,390	7,426.00	1,036.00
Regionally Based Household Growth	18.25%	6,390	7,556.15	1,166.15
<b>Scenario Average</b>				<b>1,101.08</b>

<b>Component D: Total New Units to Meet Household Growth Needs - 20 years</b>	<b>1,101.08</b>
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## 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%.

**Table 11:** difference between the existing total number of rental homes and the total number of rental homes required for a 3% vacancy rate (Steps 1-4).

	Vacancy Rate	Occupied Rate	Renter Households	Estimated Number of Units
Target Vacancy Rate	3.00%	97.00%	1,565	1,613.40
Local Vacancy Rate	0.60%	99.40%	1,565	1,574.45
<b>Component E. Total New Units to Achieve 3% Vacancy Rate - 20 years</b>				<b>38.96</b>

## Component F: Housing units and demand (the “demand buffer”)

This calculation is intended to capture additional demand for housing within a given community, beyond the minimum units required to adequately house current and anticipated residents. The “demand buffer” helps address the needs of households who require or prefer housing with certain characteristics to reduce 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, B, C, and E to determine the additional local housing demand. Because Powell River is in a regional district with one municipality, the province set the demand factor as the midpoint of all demand factors.

**Table 12:** additional demand for new housing by applying your demand factor to the total of the other relevant components, according to provincial guidelines (Steps 1 and 2).

Component	Result
A. Extreme Core Housing Need	255.74
B. Persons Experiencing Homelessness	38.85
C. Suppressed Household Formation	387.52
E. Rental Vacancy Rate Adjustment	38.96
<b>Total</b>	<b>721.06</b>
Demand Factor	1.00
<b>Component F: Total New Units to Address Demand Buffer - 20 years</b>	<b>721.06</b>

## TOTAL 5-year and 20-year housing need

**Table 13** 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. It also displays 5-year housing need estimates using the province's demand buffer multiplier and BC Stats household projections from 2021 to 2026.

Component	5 Year Need	20 Year Need
A. Extreme Core Housing Need	63.94	255.74
B. Persons Experiencing Homelessness	19.43	38.85
C. Suppressed Household Formation	96.88	387.51
D. Anticipated Growth	617.49	1,101.08
E. Rental Vacancy Rate Adjustment	9.74	38.95
F. Additional Local Demand	180.27	721.06
<b>Total New Units – 5 years</b>		<b>988</b>
<b>Total New Units – 20 years</b>		<b>2,543</b>

# APPENDIX B: 20- and 5- Year Housing Needs Using HNR Method

## 20 and 5 Year Housing Needs using HNR Method

[1]	Census Data			Projections (Component D)				Type of Housing Needed	5 YEAR			20 YEAR			
	2021		2026		2041		Est. Units Required 2021-2026 (D)		component	Adjustments [2]	Total HNR Method Units Required	Est. Units Required 2021-2041 (D)	component	Adjustments [2]	Total HNR Method Units Required
	Income quintiles for census yr	# hh	% hh	# hh	% hh	# hh									
Very Low Income 0% to 50% Median Income	\$0-\$34,999	1270	20%	1410	20%	1507	20%	Deeply Affordable <b>Rental</b> . Likely to be single person senior households and lone parent households (i.e. studio, 1br, 3br)	65	A: 21 B: 19 C: 17 E: 3 F: 19	145	116	A: 85 B: 39 C: 68 E: 13 F: 76	397	
								Very low income <b>owner</b> households. Likely to be seniors on fixed incomes.	59	A: 15 B: 17 C: 15 E: 17 F: 17	92	105	A: 61 B: 69 C: 61 E: 69 F: 69	236	
Low Income 51% to 80% Median Income	\$35k-\$49,999	960	15%	1298	19%	1387	19%	Affordable <b>Rental</b> . Likely to be lone parent renter households, couple households with children, single person households, and renters with roommates.	30	A: 21 B: 9 C: 3 E: 9 F: 9	72	54	A: 85 B: 34 C: 13 E: 35 F: 35	221	
								Low income <b>owner</b> households.	84	A: 24 B: 25 C: 24 E: 25 F: 25	133	150	A: 95 B: 98 C: 95 E: 98 F: 98	344	
Moderate Income 81% to 120% Median Income	\$50k-\$79,999	1620	25%	1329	19%	1421	19%	Low end of Market <b>Rental</b> (i.e. 10-20% below market) and market rental. Likely to be couple households without children, couple households with children, single person households, and renters with roommates	28	A: 8 B: 8 C: 3 E: 8 F: 8	56	55	A: 30 B: 34 C: 13 E: 36 F: 36	168	
								Shared-Equity or Attainable Market <b>Ownership</b> . Couple households without children, lone parent households, roommates	89	A: 13 B: 24 C: 24 E: 26 F: 26	152	154	A: 55 B: 95 C: 101 E: 101 F: 101	405	
Above Moderate Income 121% to 150% Median Income	\$80k-\$99,999	810	13%	926	13%	990	13%	Attainable Market <b>Ownership</b> . Couple households with or without children	82	A: 24 B: 24 C: 24 E: 24 F: 24	105	146	A: 95 B: 95 C: 95 E: 95 F: 95	241	
High Income 150%+ Median Income	\$100k-\$200k+	1730	27%	2044	29%	2185	29%	Market <b>Ownership</b> . Couple households with or without children	180	A: 53 B: 53 C: 53 E: 53 F: 53	233	321	A: 210 B: 210 C: 210 E: 210 F: 210	532	
total households:		6390		7007		7491		total units:	617	checksum	370	988	1101	1442	2543

**5 YEAR TARGET**  
 650 new units of affordable housing by 2026  
 273 new units of affordable rental housing  
 66% of all units need to be affordable  
 28% of all new units need to be affordable rental

**20 YEAR TARGET**  
 1771 new units of affordable housing by 2026  
 787 new units of affordable rental housing  
 70% of all units need to be affordable  
 31% of all new units need to be affordable rental

Per the Housing Implementation Plan, "Affordable Housing" is defined as housing that is affordable to very low, low, and moderate income households. So units identified above this line would be "affordable" units. Below the line are not affordable units.

**[1] Assumption about Median HH income ranges**

- Overall median income is used, rather than renter income, because the quintiles are based on overall community household income
- Please see "CustomCensusProfile" tab for how the income quintiles were calculated.
- Renter households have significantly lower household income, particularly for lone parent households and single person households, especially single seniors
- the Median HH Income lower to upper range incomes do not account for household size very well. Some households with more dependents could classify as low income/needing affordable housing per BC Housing's Housing Income Limits (HILs)

**[2] Assumptions about how the HNR Method Components fit into our model**

- Component A: The number of housing units for households in extreme core housing need: we don't know what income quintiles households in extreme core housing need - households in multiple income bands could be spending more than 50% of their income in housing. Assuming it's the very low, low, and moderate incomes
- Component B: The number of housing units for individuals experiencing homelessness: assume that all of these units are very low income households, rental tenure
- Component C: The number of housing units for suppressed households: assume that these are very low, low, and moderate income households
- Component D: The number of housing units for anticipated household growth: assume that this is divided up proportionally across income quintiles **NOTE** the HH projections for 2026 and 2041 should have this figure entirely captured.
- Component E: The number of housing units required to increase the rental vacancy rate to 3%: assume that this is very low, low, and moderate income households, rental tenure
- Component F: The number of housing units that reflects additional local housing demand (the "demand buffer"): assume that this is divided up proportionally across income quintiles

**[3] Max purchase price calculated with the following assumptions**

- mortgage payments are 30% of gross household income
- Bank of Canada 5-year conventional mortgage rate
- 10% down payment (i.e. households with equity will have more purchasing power)
- \$750 monthly expenses
- CMHC affordability calculator: <https://www.cmhc-schl.gc.ca/consumers/home-buying/calculators/affordability-calculator/>

# APPENDIX C: Progress against 20- and 5- Year Housing Needs

## Progress against 20 and 5 year Housing Needs using HNR Method

Last updated 2024-09-06

[1]	Census Data			Projections (Component D)				Type of Housing Needed	Approximate level of affordability	5 YEAR			20 YEAR		
	2021		2026		2041		Total HNR Method Units Required			Units Built since 2021	Total HNR Method Units Required	Total HNR Method Units Required	Units Built since 2021	Total HNR Method Units Required	
	Income quintiles for census yr	# hh	% hh	# hh	% hh	# hh	%hh								
Very Low Income 0% to 50% Median Income	\$0-\$34,999	1270	20%	1410	20%	1507	20%	Deeply Affordable Rental. Likely to be single person senior households and lone parent households (i.e. studio, 1br, 3br)	max rent \$ 972 max purchase price [3] \$ 150,000	237	0	237	633	0	633
Low Income 51% to 80% Median Income	\$35k-\$49,999	960	15%	1298	19%	1387	19%	Affordable Rental. Likely to be lone parent renter households, couple households with children, single person households, and renters with roommates.	max rent \$ 1,389 max purchase price [3] \$ 200,000	205	42	163	565	42	523
Moderate Income 81% to 120% Median Income	\$50k-\$79,999	1620	25%	1329	19%	1421	19%	Market and Low end of Market Rental (i.e. 10-20% below market). Likely to be couple households without children, couple households with children, single person households, and renters with roommates	max rent \$ 2,000 max purchase price [3] \$ 280,000	56	206	0	168	206	0
								Shared-Equity or Attainable Market Ownership. Couple households without children, lone parent households, roommates	max purchase price [3] \$ 350,000	152	22	131	405	22	383
Above Moderate Income 121% to 150% Median Income	\$80k-\$99,999	810	13%	926	13%	990	13%	Attainable Market Ownership. Couple households with or without children	max rent \$ 2,778 max purchase price [3] \$ 400,000	105	22	84	241	22	219
High Income 150%+ Median Income	\$100k-\$200k+	1730	27%	2044	29%	2185	29%	Market Ownership. Couple households with or without children	max rent \$ 5,556 max purchase price [3] \$ 750,000	233	116	117	532	116	416
total households:		6390		7007		7491		total units:		988	407	731	2543		2174
										988	Units Built since 2021		2543		

650 new units of affordable housing 2021-2026  
66% of all units 2021-2026  
530 new units of affordable housing remaining  
73% of all units remaining

1771 new units of affordable housing 2021-2041  
70% of all units 2021-2041  
1539 new units of affordable housing remaining  
71% of all units remaining

Per the Housing Implementation Plan, "Affordable Housing" is defined as housing that is affordable to very low, low, and moderate income households. So units identified above this line would be "affordable" units. Below the line are not affordable units.

### [1] Assumption about Median HH income ranges

- Overall median income is used, rather than renter income, because the quintiles are based on overall community household income
- Please see "CustomCensusProfile" tab for how the income quintiles were calculated.
- Renter households have significantly lower household income, particularly for lone parent households and single person households, especially single seniors
- the Median HH Income lower to upper range incomes do not account for household size very well. Some households with more dependents could classify as low income/need affordable housing per BC Housing's Housing Income Limits (HILs)

### [2] Assumptions about how the HNR Method Components fit into our model

- Component A: The number of housing units for households in extreme core housing need: we don't know what income quintiles households in extreme core housing need - households in multiple income bands could be spending more than 50% of their income in housing. Assuming it's the very low, low, and moderate incomes
- Component B: The number of housing units for individuals experiencing homelessness: assume that all of these units are very low income households
- Component C: The number of housing units for suppressed households: assume that these are very low, low, and moderate income households
- Component D: The number of housing units for anticipated household growth: assume that this is divided up proportionally across income quintiles **NOTE** the HH projections for 2026 and 2041 should have this figure entirely captured.
- Component E: The number of housing units required to increase the rental vacancy rate to 3%: assume that this is very low, low, and moderate income households
- Component F: The number of housing units that reflects additional local housing demand (the "demand buffer"): assume that this is divided up proportionally across income quintiles

### [3] Max purchase price calculated with the following assumptions

- mortgage payments are 30% of gross household income
- Bank of Canada 5-year conventional mortgage rate
- 10% down payment (i.e. households with equity will have more purchasing power)
- \$750 monthly expenses
- CMHC affordability calculator: <https://www.cmhc-schl.gc.ca/consumers/home-buying/calculators/affordability-calculator/>