



The Corporation of the District of Saanich

Report

To: Mayor and Council

From: Lindsay Chase, Director of Planning

Date: October 7, 2024

Subject: Housing Target Progress Report - Reporting Period 1.2

File: 2140-50

RECOMMENDATIONS

That Council:

1. Receive the Housing Target Progress Report Period 1.2 (Attachment 1) by resolution, and direct staff to submit the Progress Report to the Minister of Housing as soon as practicable.
2. Direct staff to post the Progress Report on the District of Saanich website.

PURPOSE

The purpose of this Report is to present Council with the Housing Target Progress Report Period 1.2 (Progress Report) for the period of October 1, 2023, to September 30, 2024, and recommend it be received by resolution as required by the Province's Housing Target Order (Order).

BACKGROUND

Housing Target Order

The Provincial *Housing Supply Act* (Act) was introduced in 2022 and gives the Province of British Columbia authority to set housing targets for municipalities with high housing need and high projected future growth. The Act also allows the Province to set progress reporting requirements and undertake compliance measures as needed for the specified municipalities. The District of Saanich received a Housing Target Order (Attachment 2) which came into effect on October 1, 2023.

The District of Saanich is required to reach the five-year target of 4,610 net new housing units (measured by the issuance of an occupancy permit; also referred to as "completion", less units lost through demolition) by 2028. The target represents 75% of the Provincial Housing Needs Estimate. Incremental targets are specified as follows:

- Year 1 (2024): 440
- Year 2 (2025): 1,041

- Year 3 (2026): 1,882
- Year 4 (2027): 3,045
- Year 5 (2028): 4,610

It is important to note that the Provincial Housing Needs Estimate is more recent than the District of Saanich's 2020 Housing Needs Report and uses different methodology for assessing current and future need. Staff will bring an updated Housing Needs Report to Council in November 2024, which will use the new methodology as prescribed by the Province and provide better alignment with the Order.

Housing Target Guidelines (Attachment 3) were also created for the District. Compliance with the Guideline is not required; however, staff are tracking and reporting on progress toward meeting the Guideline as a best practice. The Guidelines break down the District of Saanich's five-year target into recommended ratios with regards to unit mix, and tenure. The Guidelines also include a recommended number of below-market rental units and supportive rental units (as defined in the Progress Report) as seen in Table 1.

Table 1: BC Ministry of Housing's Housing Target Guidelines for the District of Saanich

Total units	Units by size			Units by Tenure		Rental units by market rate		Supportive Rental Units
	Studio/1-bed	2-bed	3 or more bed	Rental	Owned	Below Market	Market	
4610	3001	780	828	2495	2115	1161	1334	131

Schedule B of the Order lists performance indicators based on a) progress toward achieving the annual cumulative housing target; and b) actions taken by the municipality towards meeting the housing targets. If a municipality has not met the housing target for the reporting period, it must provide information about any actions that it intends to take towards meeting the housing target. The Minister of Housing will review the Progress Report to assess if the municipality has made satisfactory progress and will evaluate against the performance indicators. If both the target was not met, and the Minister determines the municipality has not made satisfactory progress toward meeting the housing target, the Minister may take additional actions, as specified in the Act.

In Schedule C it is specified that Council must receive Progress Reports by resolution within 45 days of the end of each reporting period, as seen below. Each Progress Report must be posted on the municipal website and submitted to the Minister of Housing as soon as practical. Following are the reporting periods:

- Reporting Period 1.1: October 1, 2023 – March 31, 2024
- Reporting Period 1.2: October 1, 2023 – September 30, 2024
- Reporting Period 2: October 1, 2024 – September 30, 2025
- Reporting Period 3: October 1, 2025 – September 30, 2026
- Reporting Period 4: October 1, 2026 – September 30, 2027
- Reporting Period 5: October 1, 2027 – September 30, 2028

Housing Target Progress Report Period 1.1

Council received, by resolution, Housing Target Progress Report Period 1.1 at a Council meeting on April 29th, 2024. The report is available online at [Saanich Housing Target Progress](#)

[Report Period 1.1.pdf](#). In June 2024, the Minister acknowledged receipt of the Report, noted that the net new units fell below the first annual target, and commended the several, significant actions taken to contribute toward meeting housing targets (Attachment 4).

DISCUSSION

Housing Target Progress Report Period 1.2

Housing Target Progress Report Period 1.2 (Attachment 1) is in the format prescribed by the Minister of Housing and covers the Reporting Period from October 1, 2023 – September 30, 2024. It consolidates the data from Reporting Period 1.1, together with another 6 months of data. A total of 381 new housing units were completed (received occupancy permit) within the Reporting Period, and 43 units were lost through demolition, for a net total of 338 new units. This total is below the Housing Target for this Reporting Period, which is a total of 440 net new units.

As noted above, the Housing Target Order is based on completions measured by the number of occupancy permits issued. Another measure of housing activity is the number of building permits granted (building permits authorize the start of construction). Between October 1, 2023, and September 30, 2024 (1 year), the District approved the construction of 1081 new housing units through building permits issued. For comparative purposes, over the last 5 years (2019-2023) the average number of annual dwelling units authorized by building permits issued is just over 350.

The District of Saanich has reported on the significant actions taken, or underway, that will assist in meeting the housing targets (e.g. Small-scale multi-unit housing, Rapid Deployment of Non-Market Housing, Official Community Plan update, etc.). It is anticipated that full effects of recently adopted policies and zoning bylaw amendments will be seen in subsequent reporting periods.

As requested by the Minister, the Progress Report also includes the following information:

- Category and type (size, tenure, affordability) of housing units completed during the Reporting Period;
- Rezoning, Development Permit, and Building Permits approved within the Reporting Period for housing units that are yet to be completed; and,
- Applications that were cancelled (withdrawn or not approved) during the Reporting Period.

Planning and Inspections staff have been actively working together, along with IT staff, in the months leading up to the end of the Reporting Period to improve the quality of data gathered in association with housing applications, in preparation for this and future reports.

COUNCIL OPTIONS

1. That Council approve the recommendation.
2. That Council provide alternative direction to staff.

If Council were to provide alternative direction to staff, the legislative deadline for Council to receive the Housing Target Order Progress Report 1.2 (45 days following the end of

the Reporting Period) may be missed, and the District of Saanich would not be compliant with legislation.

FINANCIAL IMPLICATIONS

There are no implications to the District of Saanich's 2024 – 2028 Financial Plan.

STRATEGIC PLAN IMPLICATIONS

The recommendation to receive the Progress Report by resolution is consistent with Council's Strategic Plan Objective 3.4:

“We recognize the direction in the Provincial Housing Target Order to increase housing supply by taking steps to meet or exceed the targets through updates to policies, processes, and development review approaches and by measuring our progress as part of the District-wide approach to housing.”

CONCLUSION

A five-year cumulative housing target was specified for the District of Saanich in a Housing Target Order from the BC Minister of Housing, effective October 1, 2023, along with the requirement to report back to the Minister on progress at specified intervals. This Report presents Council with the Housing Target Progress Report for Reporting Period 1.2: October 1, 2023, to September 30, 2024. The Progress Report shows that the total net new units falls below the Housing Target, and lists several significant actions have been completed or are underway that may assist in meeting the Housing Target in the future. Staff recommend that Council receive the Progress Report, and direct staff to submit the Progress Report to the Minister, and post on the District of Saanich's website, as required by the Order.

Prepared by: Amanda Blick-McStravick, Planning Analyst - Housing

Reviewed by: Carley Friesen, Acting Manager of Housing Planning and Policy

Approved by: Lindsay Chase, Director of Planning

ABM/kb

Attachments: 1: Housing Target Progress Report Period 1.2
2: Provincial Housing Target Order to the District of Saanich
3: Housing Target Guidelines
4: Response from Province – Report Period 1.1

ADMINISTRATOR'S COMMENTS:

I endorse the recommendation from the Director of Planning.

Brent Reems, Chief Administrative Officer