

City and Regional Growth Trends

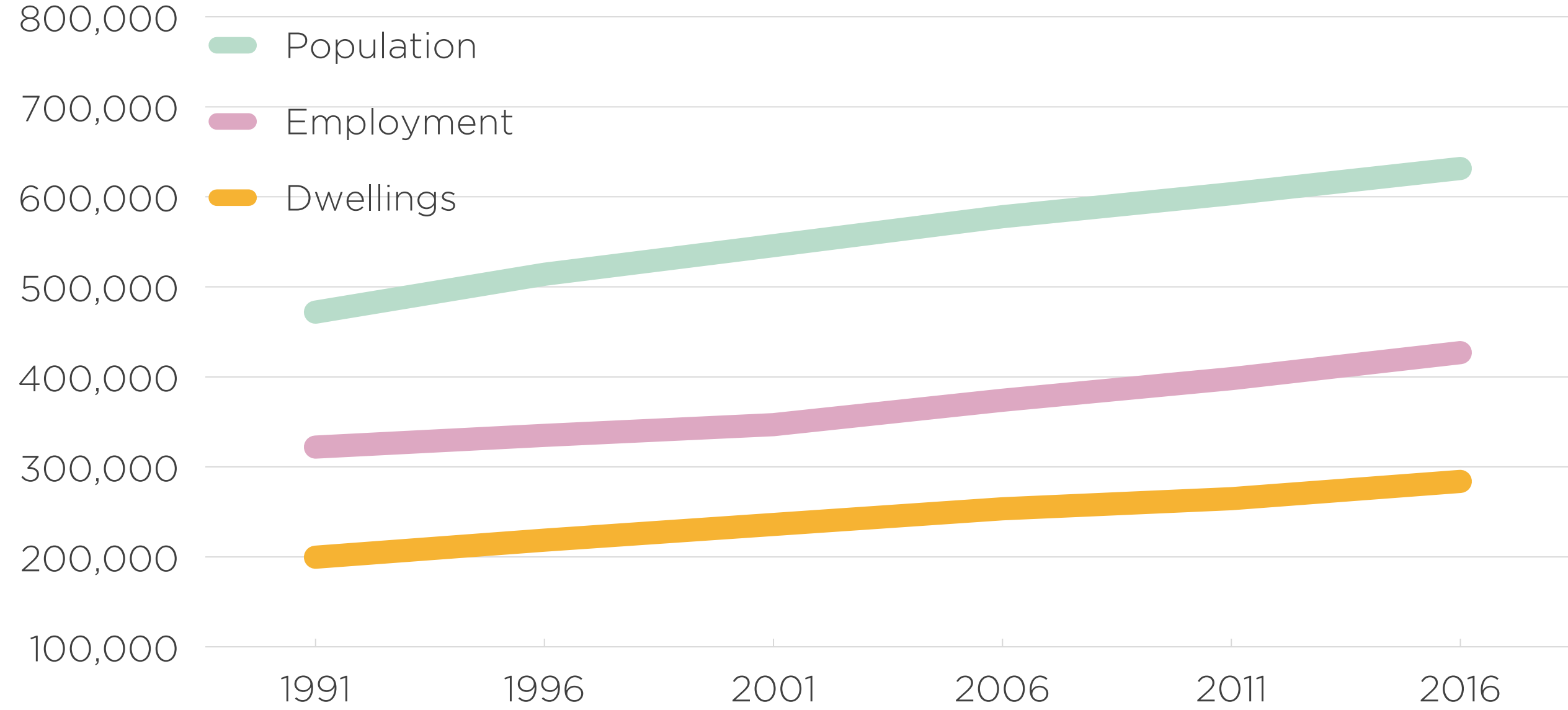
Background Materials for Vancouver 2050: An Expert Discussion on Planning & Growth

This document serves as background information for a September 28th, 2021 Council Workshop on planning and growth.

A Growing Urban Centre

- Between 1991 and 2016, Vancouver's population grew by **34%** (160,000 people). In the same period, the city added over 100,000 jobs, the largest increase in the region.
- Vancouver is the largest regional job centre, accounting for **70%** of all regional office-space construction (~15,000 office jobs) today.
- Vancouver is a hub for new immigration, absorbing on average **25%** of immigrants coming to the region since 2006.

of Jobs, People and Households in Vancouver (CY), 1991-2016



Source: City of Vancouver, Metro Vancouver, 2040

GROWTH IN VANCOUVER (CY), 1991 - 2016

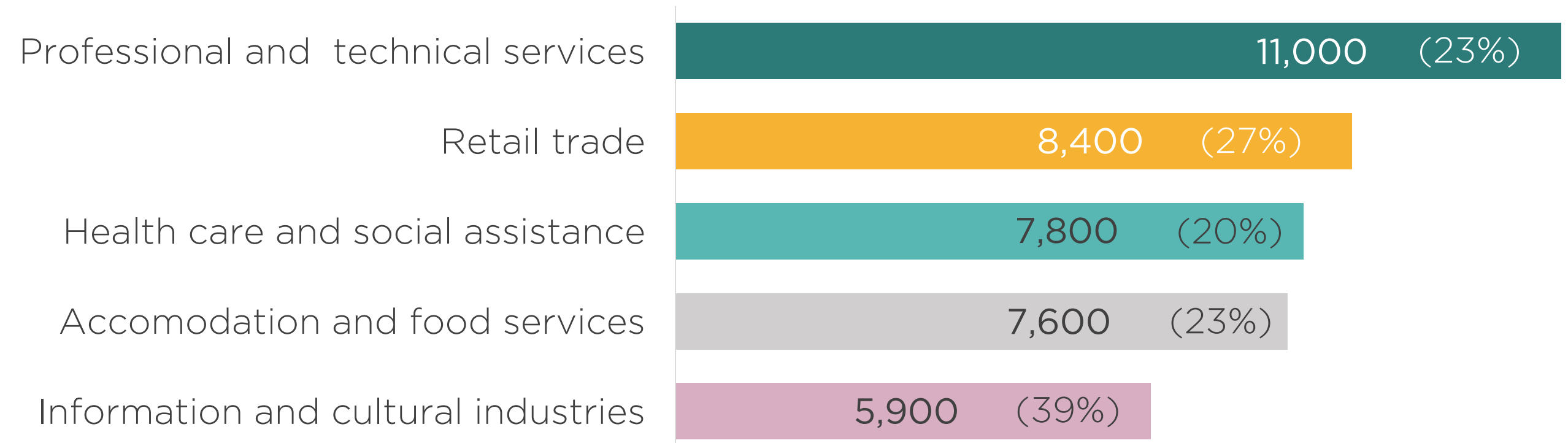
Category	Metric	Value
POPULATION	Total Increase (#)	159,600
	Average Annual Increase (#)	6,400
	Total Increase (%)	34%
EMPLOYMENT	Total Increase (#)	150,000
	Average Annual Increase (#)	4,200
	Total Increase (%)	33%

Source: City of Vancouver, Metro Vancouver, 2040

A Diverse Economy

- Vancouver plays an important and unique role in the regional economy, with a large and growing concentration of jobs in professional, scientific and technical services and higher than average growth in information and cultural industries.
- Vancouver continues to be the preferred location for employers - space for **~50,000** office-based jobs has been approved since 2016.
- Job growth is expected to continue - with forecasts showing need for space for up to **184,000** additional jobs by 2051.

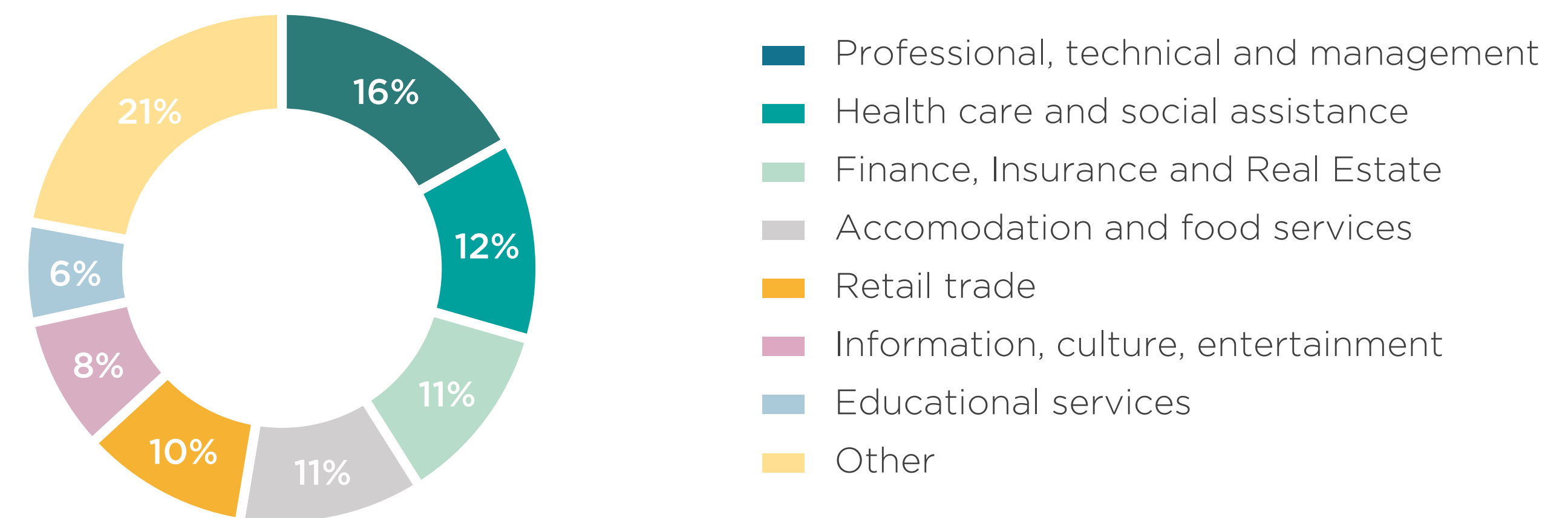
Job Increases in Vancouver (CY) by Sector, 2006 - 2016



Source: Statistics Canada, Census, 2006 & 2016

Due to changing industry classifications, jobs by sector are only reported for 2006-2016.

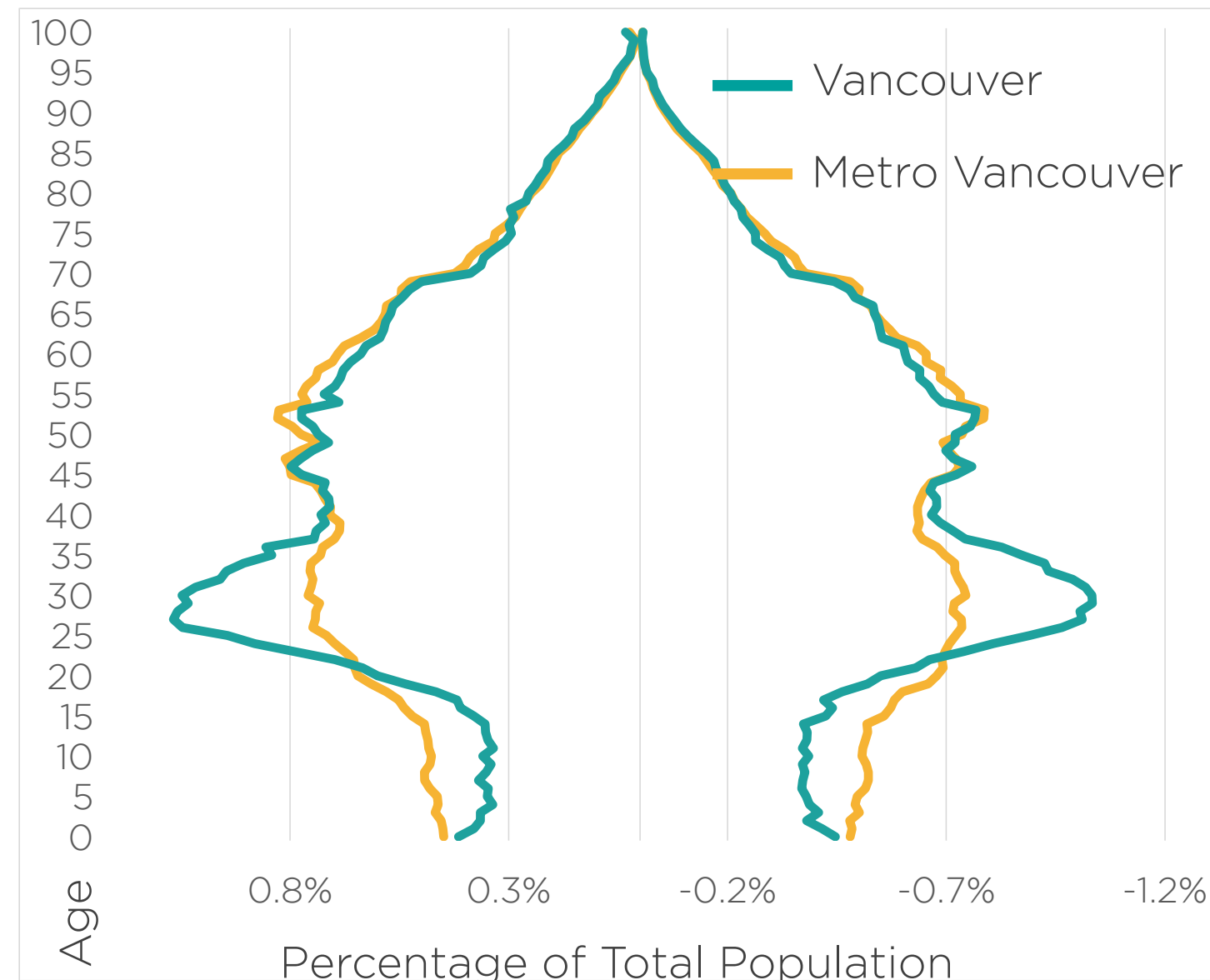
% of Jobs in Vancouver (CY) by Sector, 2016



Source: Statistics Canada, Census, 2016

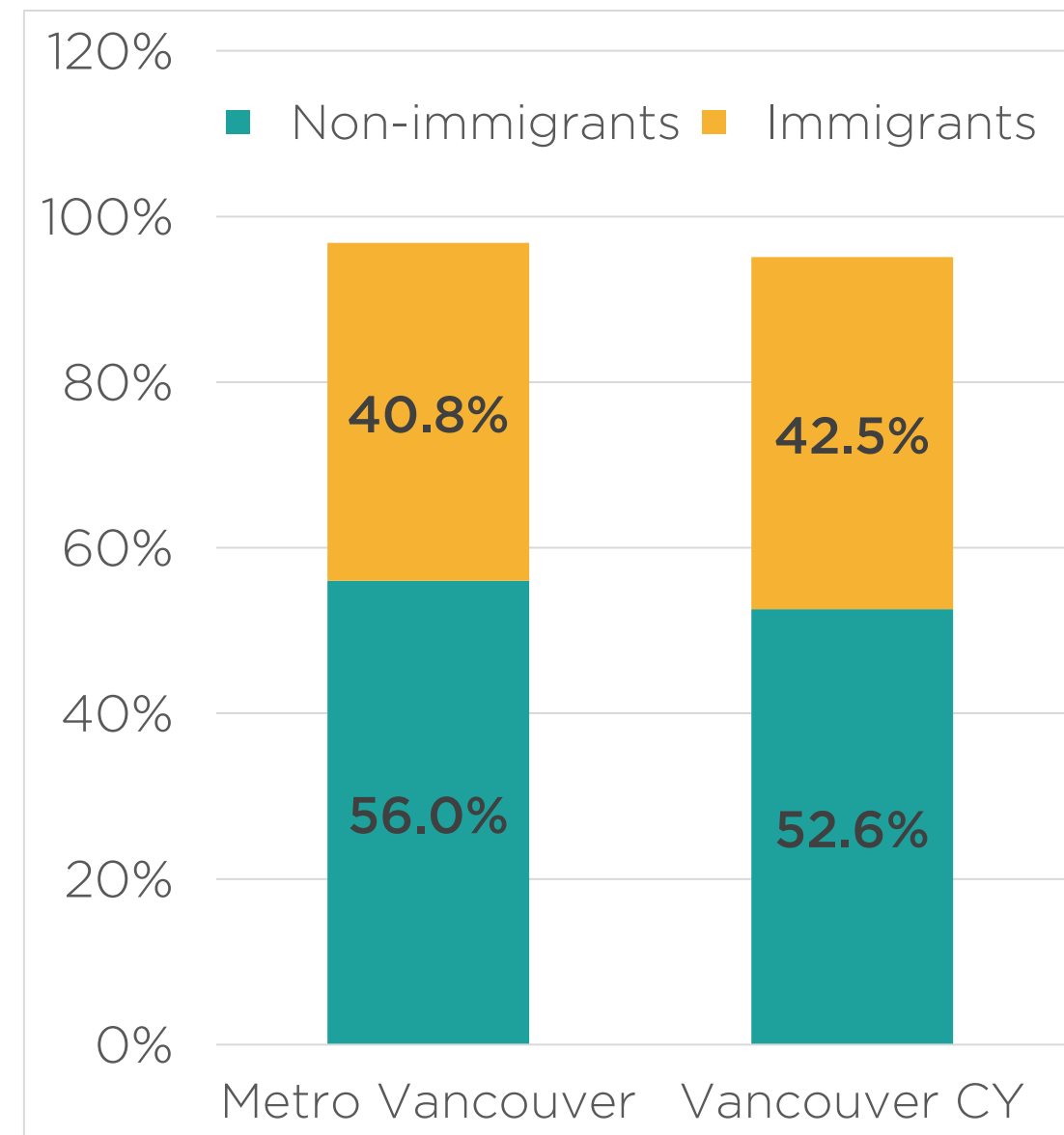
Demographic Profile

Age and Gender Distribution, 2016



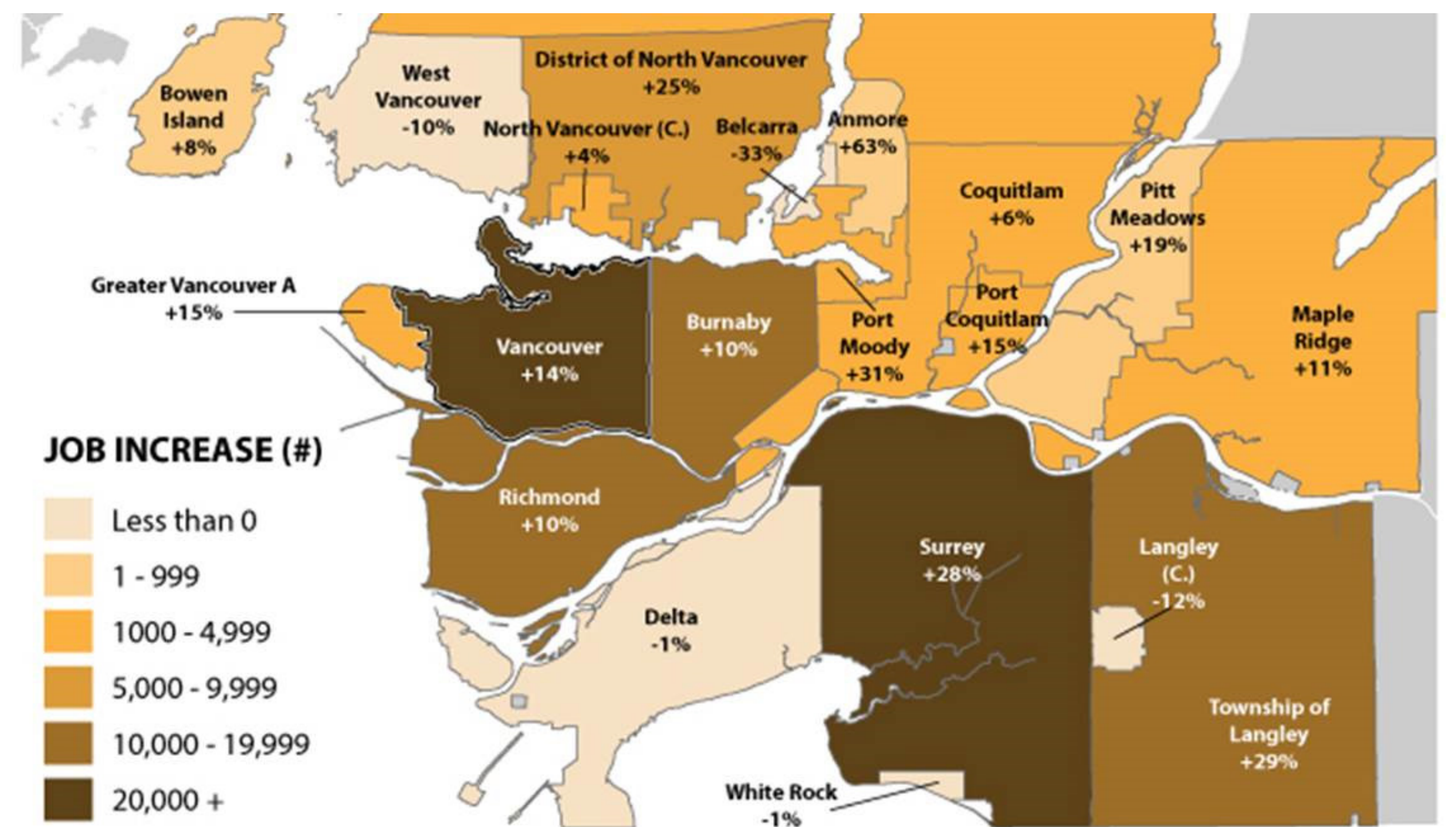
Source: Statistics Canada, Census 2016

Immigrant Status, 2016



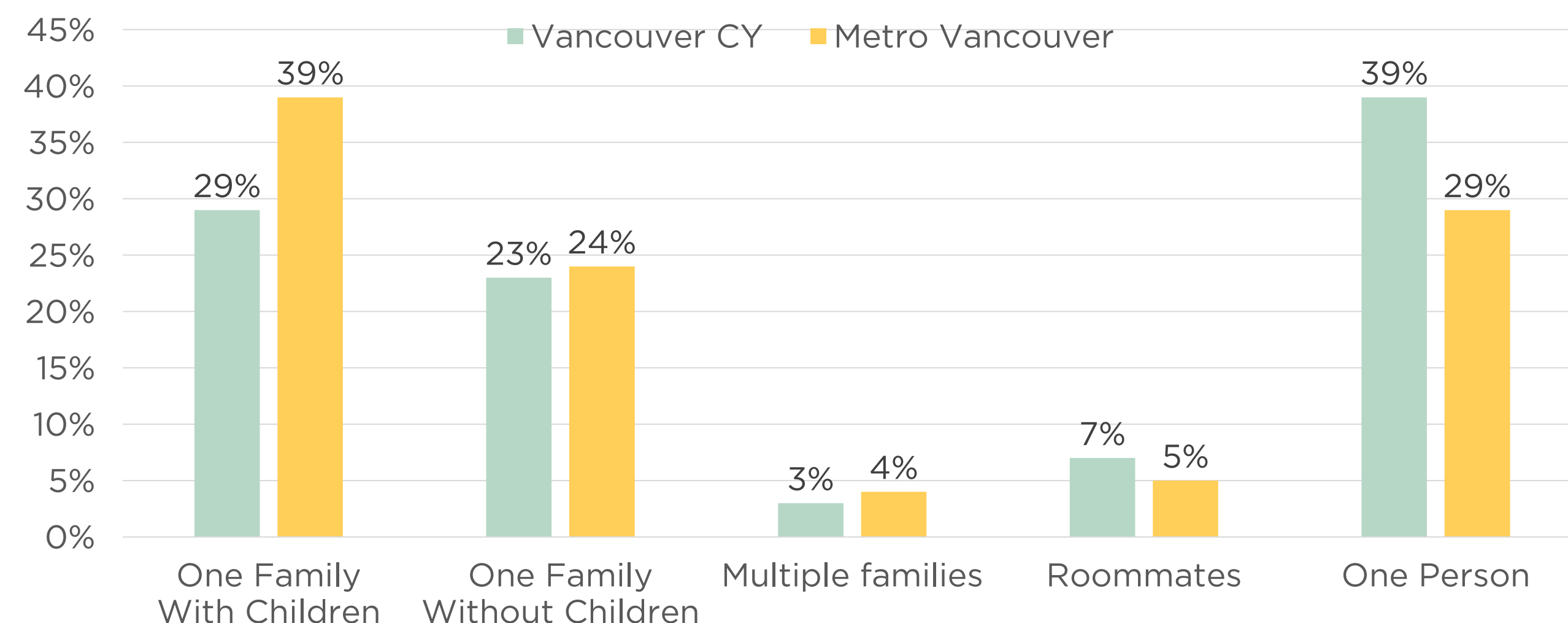
Source: Statistics Canada, Census 2016

Jobs Increase/Decrease in Metro Vancouver, 2006-2016



Source: map created by the City of Vancouver with Statistics Canada census data 2006, 2016

Private Households by Type of Households, 2016



Source: Statistics Canada, Census 2016

- Vancouver has a significantly higher share of twenty- and thirty-year olds when compared to Metro Vancouver.
- Both Metro Vancouver (**41%**) and the City (**43%**) have a high number of immigrants living and moving to the region; this trend is expected to continue.
- Compared to the region, the City has fewer families with children (**29%**) and more one-person households (**39%**).

Housing and Affordability Trends

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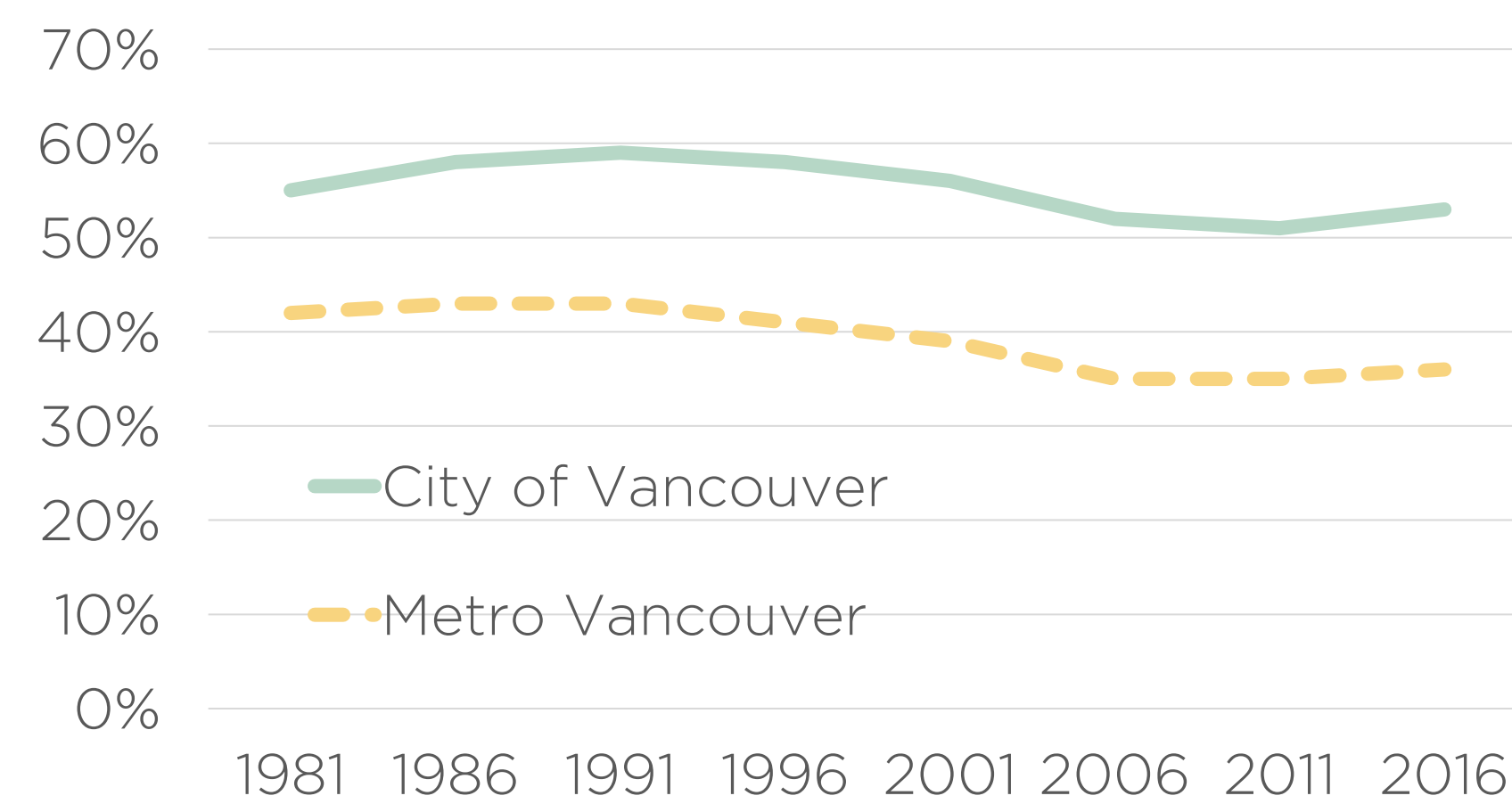


A City of Renters

Vancouver is and has historically been a city of renters, reflecting Vancouver's proximity to jobs, amenities, and transit.

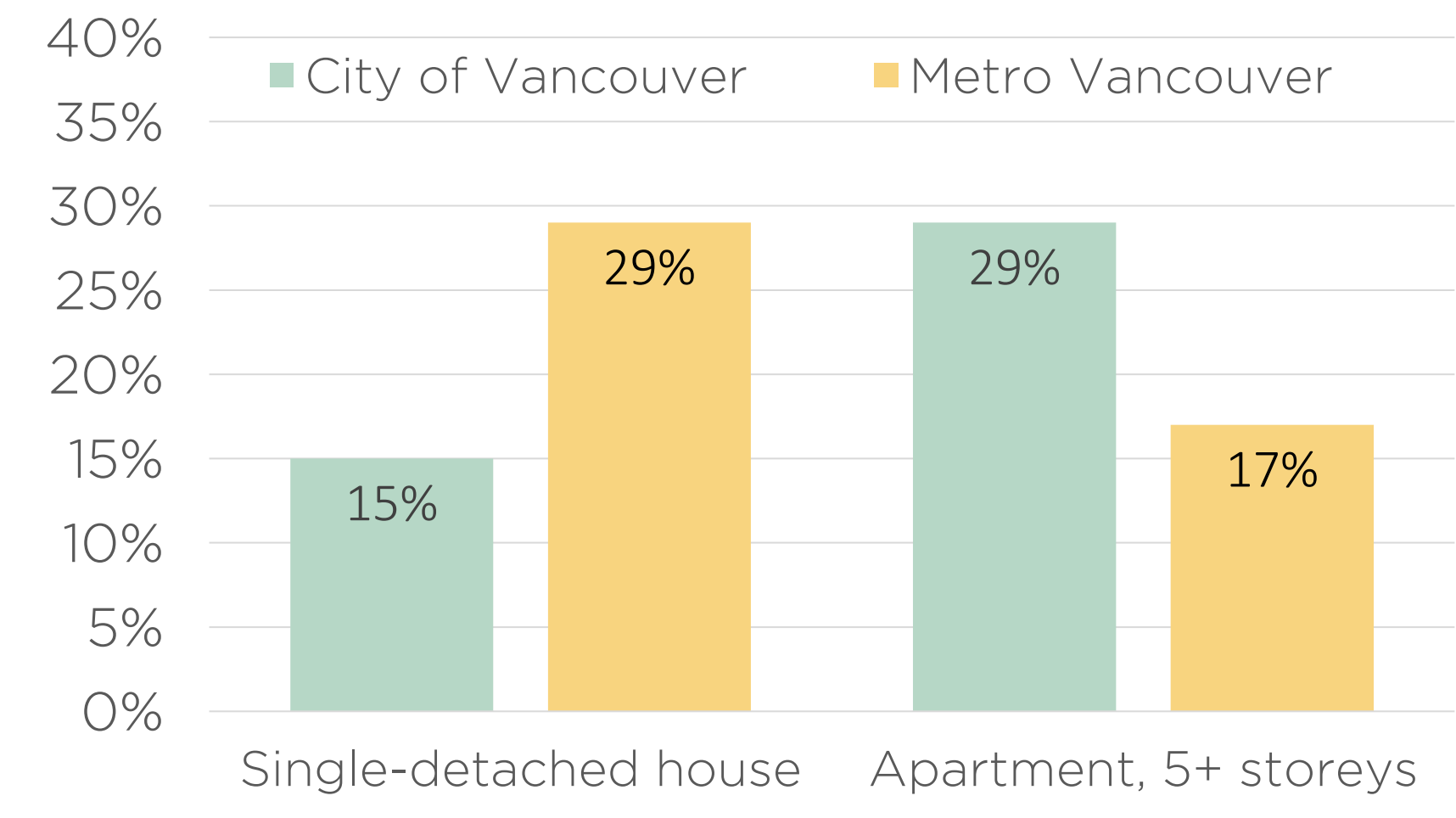
In 2016, **53%** of households in the city were renters.

Renter Households as Share of Total, 1981-2016



Source: Statistics Canada Census and 2011 National Household Survey

Dwellings by Structural Type, 2016

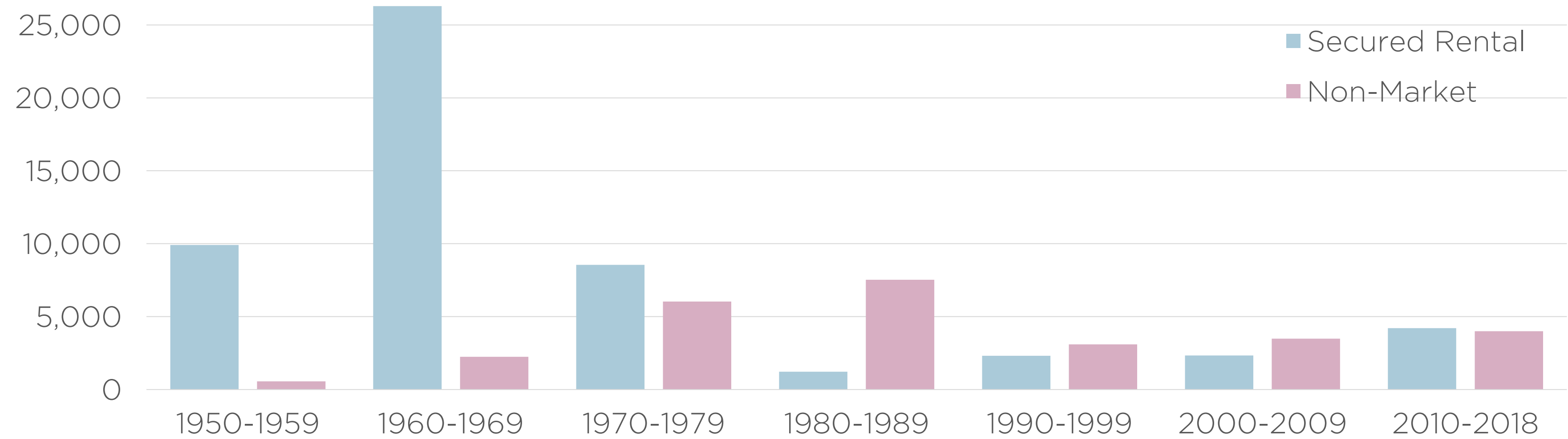


Source: Statistics Canada, Census 2016

Shifting Supply of Housing

There has been limited new construction of secure, purpose-built rental and non-market housing in recent decades, with a modest increase in construction only in recent years.

Completed Housing Units by Decade of Construction in Vancouver (CY)

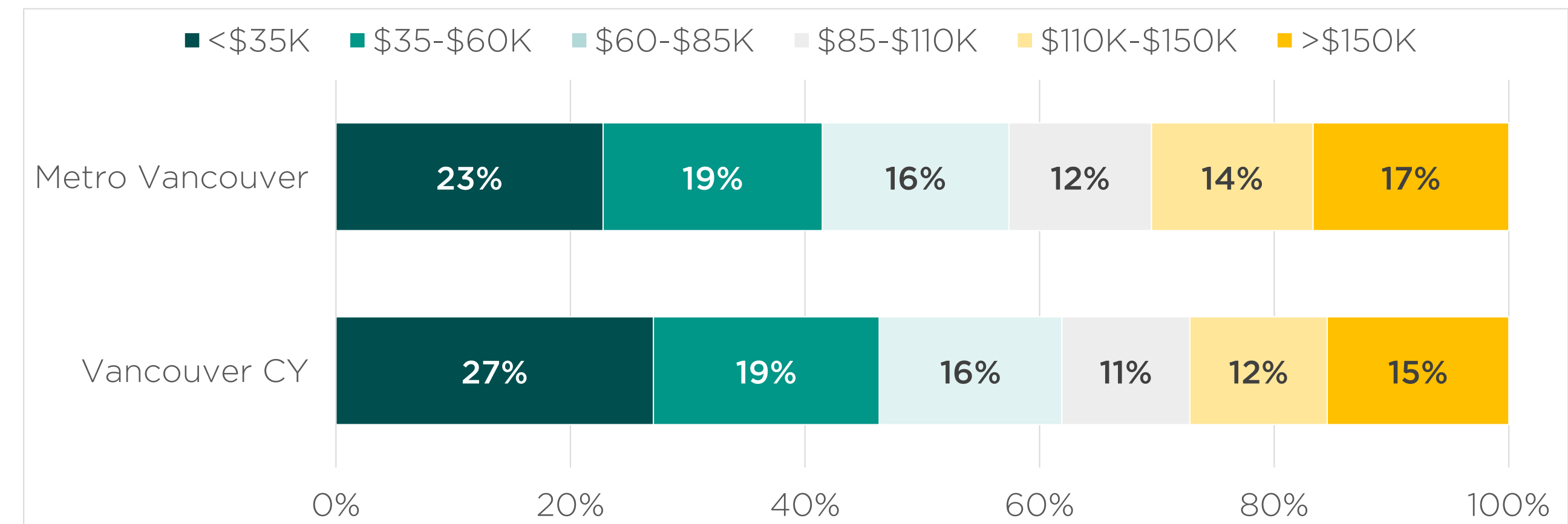


Source: City of Vancouver Market and Non-Market Rental Inventories

Affordability and Availability Crisis

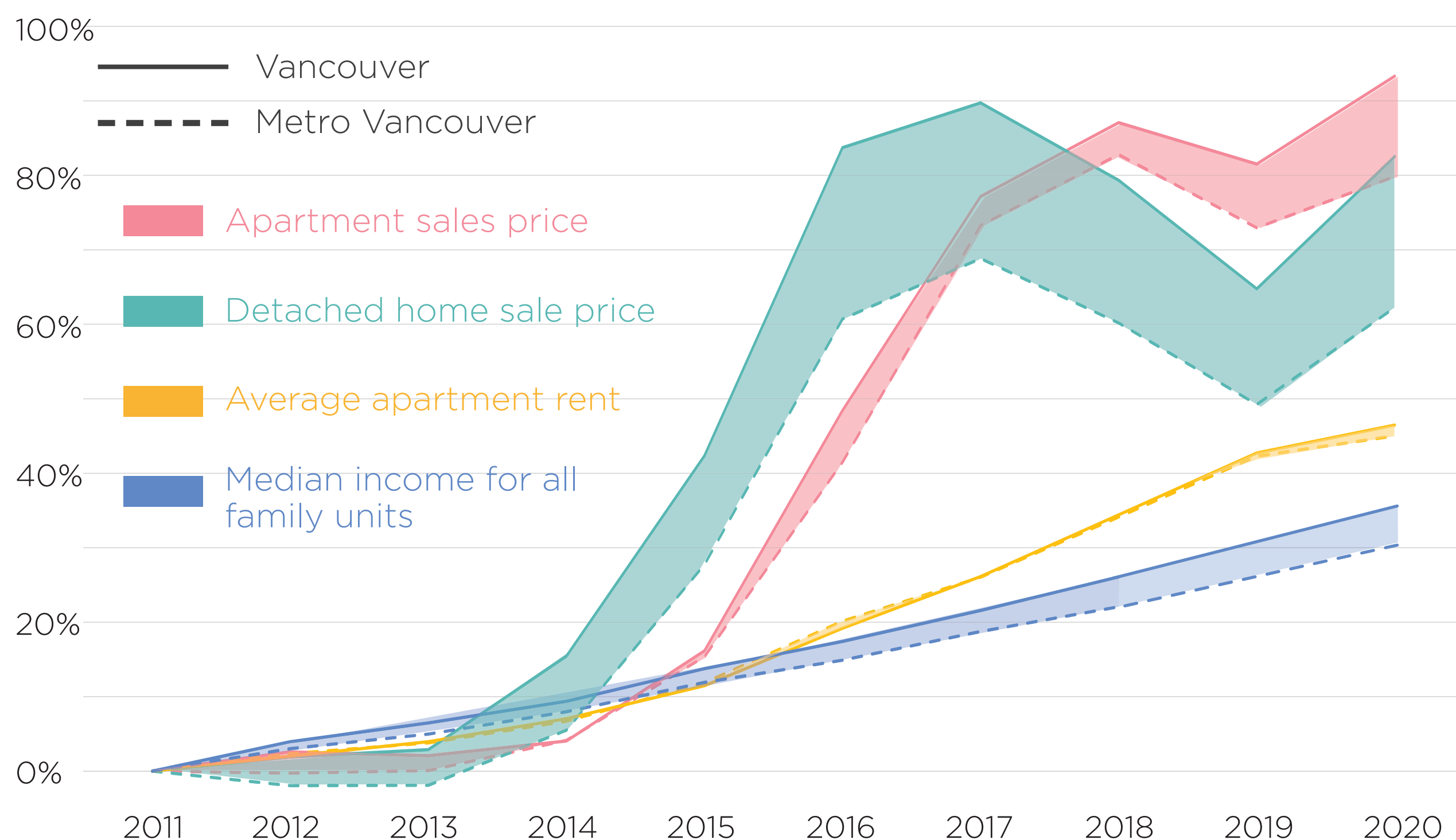
- High demand from current and new renters, combined with limited new supply, has contributed to rising housing costs.
- Affordability pressure contributes to displacement of low- and moderate-income renters, and pushes families out of the city.
- Housing affordability is a top issue for employers as well as residents.
- Over **40%** of Vancouver jobs are held by workers commuting from outside the City, largely by car - Increasing emissions and contributing to traffic congestion.

Income Distribution, 2016



Source: Statistics Canada, Census 2016

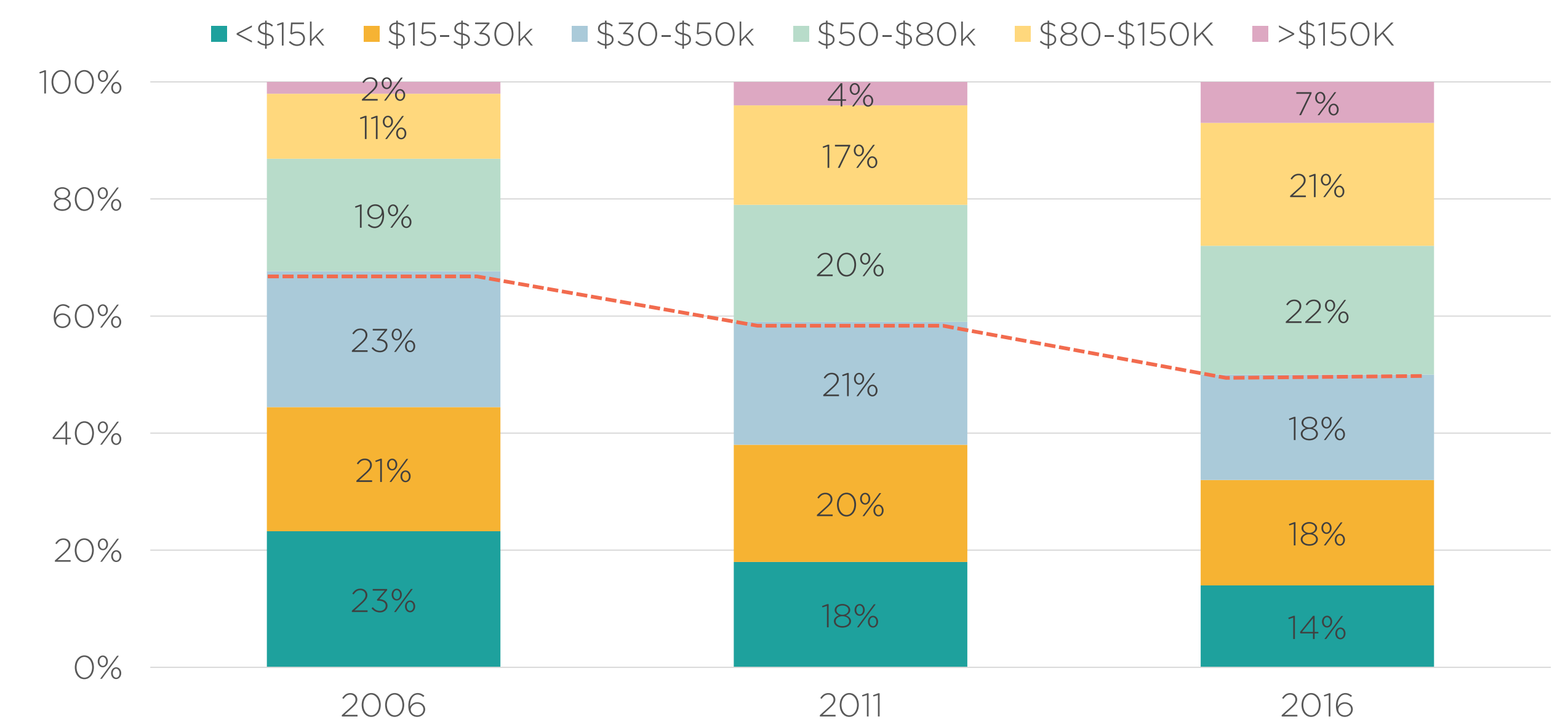
% Change in Housing Costs and Median Income, 2011-2020



Sources: Sales Prices drawn from benchmark prices from MLS Home Price Index in October of each respective year. CMCH 2020 Rental Market Report, Statistics Canada Income Statistics Division, Taxfiler Median Income is shown for all family units

40% of Vancouver jobs are held by workers who commute in from the suburbs (~172,000)

Vancouver renter household annual income distribution



Source: Census 2006, 2016 and 2011 NHS, not inflation adjusted

Housing Need and Growth Projections

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Housing Needs Assessment

New Provincial legislation requires B.C. municipalities to assess and report on housing need. Vancouver is exploring a variety of approaches to understanding the amount of housing required among current and future residents.

PRELIMINARY 10-YEAR HOUSING NEEDS ASSESSMENT¹

Existing Need	#s	Assumptions
Homelessness	~3,200 individuals ²	Individuals experiencing or at risk of homelessness plus projected 2.3% per year growth in homelessness. ³
SRO Replacement	~7,000 singles units	SRO Replacement target given the number of tenants who require supports and living in inadequate housing.
Renter and owner households over-paying on housing	~28,000 households	Renter and owner households earning \$80k or less and spending over 50% of their before-tax income on housing in 2016.
Growth	#s	
Projected 10-year Growth in Renter and Owner Households	~35,000 households	Additional households in Vancouver over the next 10 years based on past household growth from 2006 to 2016. ⁴

Source: City of Vancouver, Statistics Canada, Metro Vancouver

(1): Staff are working on a housing needs assessment, which will be finalized in Spring of 2022

(2): Number of homeless individuals is from the 2020 City of Vancouver Homeless Count, adjusted by 20% to account for under-count as per best practices

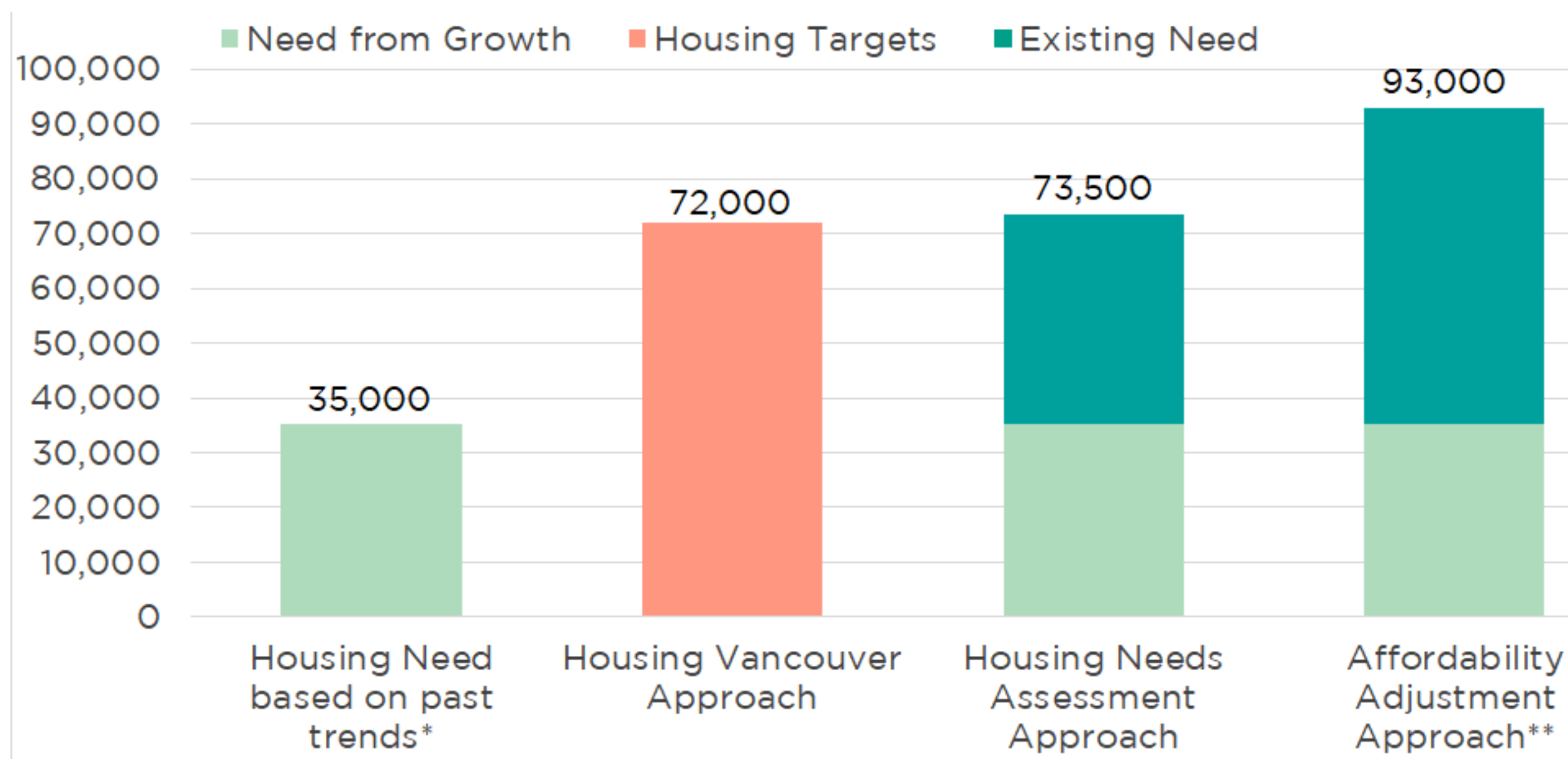
(3): 2.3% is based on the annual rate of growth in homelessness between 2011 and 2020 (City of Vancouver Homeless Count)

(4): Projection is based on past increase in Census household growth in Vancouver from 2006-2016; this will be adjusted to reflect Metro Vancouver 2050 projections when available

Different Approaches to Housing Needs

Staff are exploring **different methods** for determining the amount of housing needed to address both current affordability challenges and the needs of future residents.

Various Approaches to Assessing Housing Need Over Next 10 Years, Compared to Housing Vancouver Targets

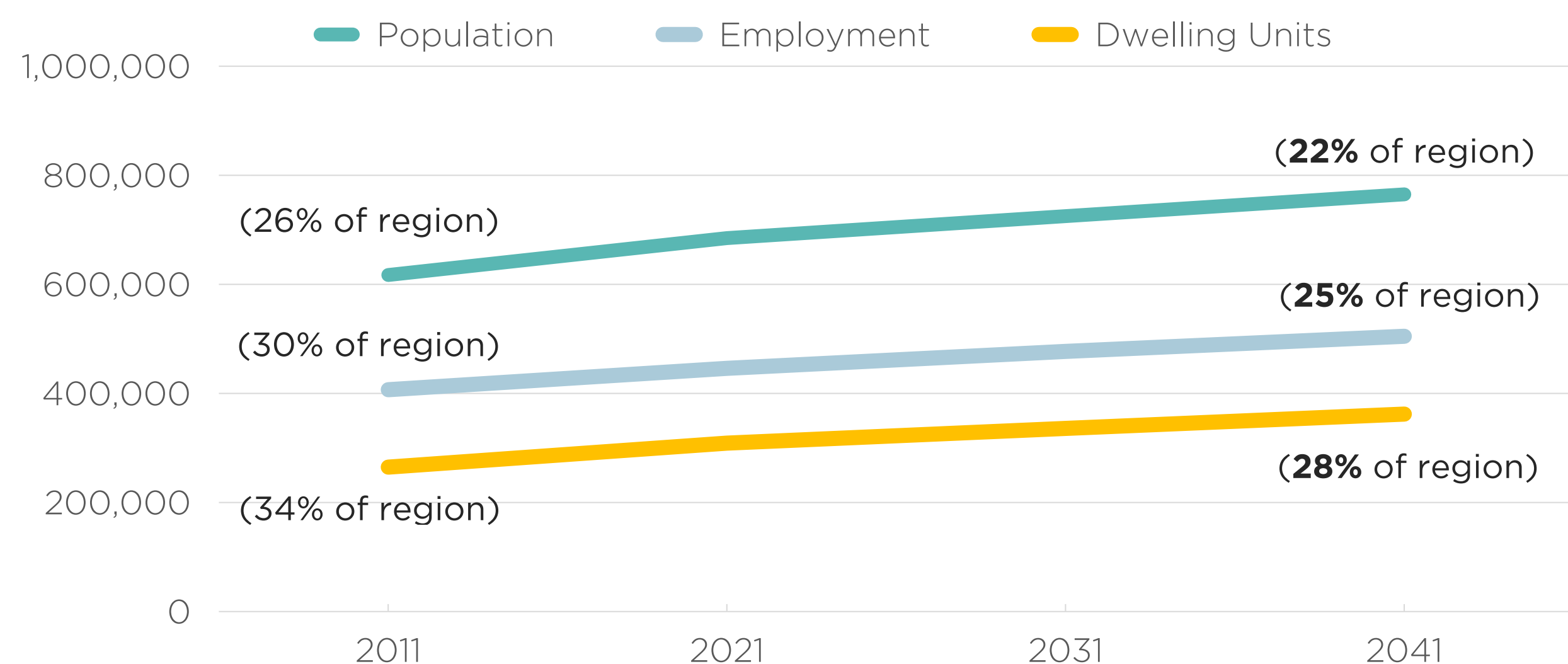


Source: City of Vancouver with data from Statistics Canada, BC Stats and models from Province of BC and Government of the UK

*Based on historical household growth between 2006-2016 Census periods

**Based on historical household growth, and multipliers applied to growth numbers to account for past undersupply and affordability need

Growth Projections by Decade to 2040, Vancouver CY



Source: Metro Vancouver 2040

Growth projections are provided by Metro Vancouver as a reference for member municipalities and regional agencies for the purposes of long-range planning (e.g. transportation and infrastructure planning). Metro notes that all projections represent an approximate figure for the given year, with consideration for potential variance within a high and low growth margin.

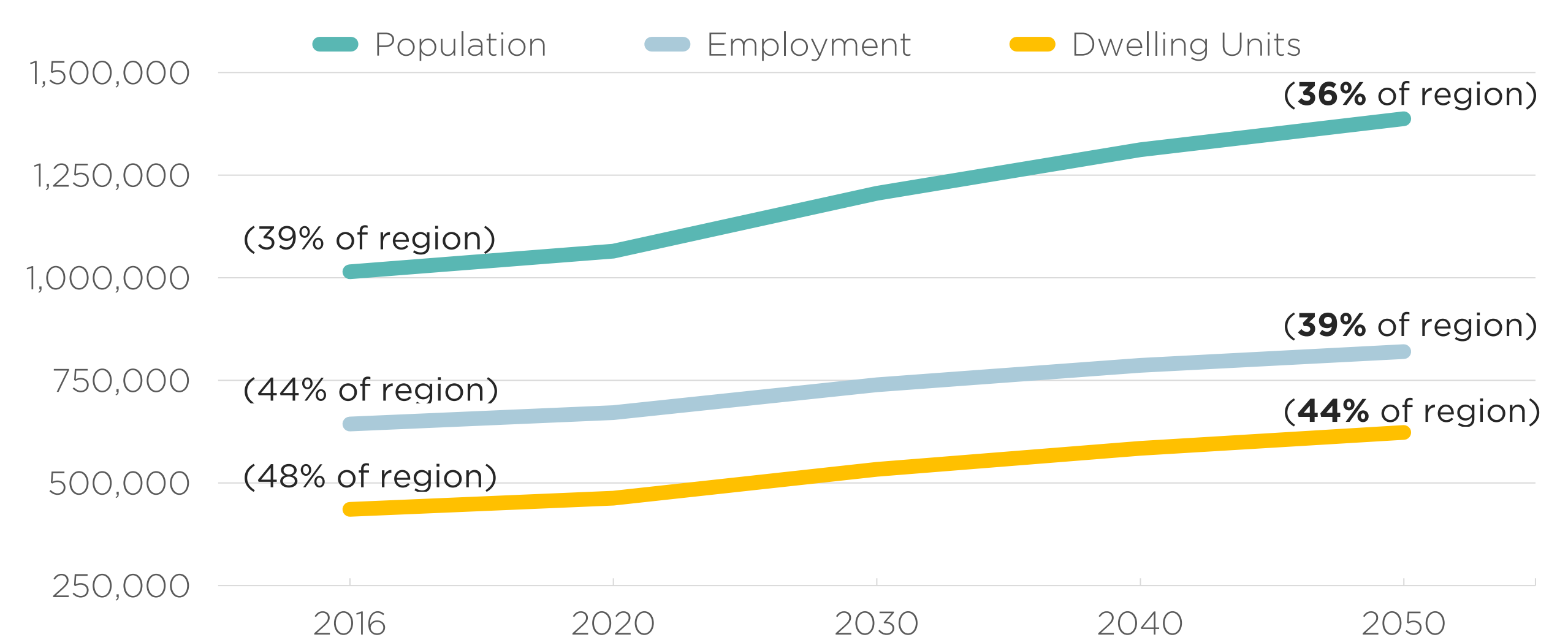
- **Affordability Adjustment Approach:** A need-based approach used in the UK and advanced by the BC/Canada Expert Panel on Housing Supply and Affordability, this method uses household growth projections as a baseline, then applies affordability adjustments.

- **Housing Needs Assessment Approach:** The City of Vancouver's current approach to fulfill the Provincial housing need report requirement is based on historical growth between Census 2006-2016 and categories of existing housing need identified in Census data.

- **Housing Vancouver Approach:** The Housing Vancouver Strategy (2017-2028) includes targets for new housing with the goal to align housing costs with local incomes. Current targets are based on the amount of new rental and non-market housing necessary to shift the current development pipeline toward construction of 50% rental and social housing.

- **Housing need based on past trends in household growth:** Many jurisdictions use past population growth trends in new household formation or dwelling unit increase as a baseline to predict future housing demand. In Vancouver, average household growth per year was 1.2% between 2006 and 2016. However, this may underestimate existing need and/or previous loss of affordability.

Sub-Regional Growth Projections by Decade to 2050, Burrard Peninsula



Source: Metro Vancouver 2050

As of September 2021, the draft Metro 2050 growth projections have been released at the sub-regional level. The sub-region that includes Vancouver is known as the Burrard Peninsula and also includes the City of Burnaby, City of New Westminster, University Endowment lands, and University of British Columbia.

Glossary of Terms and Definitions

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This section provides key terms and definitions related to this document.

Core Housing Need

A household is said to be in “**core housing need**” if its housing is unsuitable or inadequate and the household has to spend 30% or more of its total before-tax income to pay the housing costs of a similar type of housing that is acceptable (suitable, adequate and affordable).

Development Capacity Model

The **Development capacity model** is the City’s standard approach for estimating future development. It is based on existing City land-use policy. The model is a supply-based approach that forecasts future development based on actual historical rates of development, current construction trends, and takes into account constraints of potential redevelopment.

- Forecasts growth to a predetermined year i.e. 2041, 2051.
- Is based on proven rates of development observed across the city.
- Takes into account constraints of potential redevelopment, meaning not all sites will redevelop and not all sites will redevelop to the maximum allowed density because of market forces, policy, site, and design limitations.
- Reflects projects in the development pipeline and considers existing land use policy in addition to current zoning.
- Staff are updating estimates as part of work towards the Vancouver Plan and future Regional Context Statement update.

Homelessness

A person is defined as experiencing **homelessness** if they did not have a place of their own where they pay rent and can expect to stay for at least 30 days. This includes people who are:

- without physical shelter – staying on the street, in alleys, doorways, parkades, vehicles, on beaches, in parks and in other public places. This also includes people using homelessness services or staying in hospitals or jails who have no fixed address, or are staying with someone else (friend or family) where they did not pay rent (i.e. couch surfing) - defined as “unsheltered”;
- temporarily accommodated in emergency shelters (including Extreme Weather Response (EWR) shelters), detox facilities, safe houses or transition houses for men, youth, women and their children - defined as “sheltered”.

Housing Need

Housing need is related to a person or household’s need for affordability, livability, accessibility, and security of tenure. Housing need is considered for current and future populations. Municipalities and regional districts in B.C. are now required by the Province to complete housing need assessments for regular reporting every five years. These reports help local governments and the Provincial government better understand and respond to housing needs in communities throughout B.C.

Housing Targets

A **housing target** is a tool for policymakers to set benchmarks to achieve the goals set out in long-term strategies, and to track effectiveness of policy decisions.

Projections

A projection is a forecast of a future situation or trend based on a study of current trends. Several jurisdictions develop projections relating to population, dwelling, and job growth for municipalities and regions, including BC Stats, Metro Vancouver, and Statistics Canada. These projections are scenario-based and are estimates given existing data sources, assumptions and trends in the model. Projections are not targets and generally assume the existing policy, trends and drivers related to the economy, environment, technology and governance are generally stable.

Unsuitable or Inadequate Housing

This is housing that is in need of major repairs or fails to meet the National Occupancy Standard requirements for the number of bedrooms for the size of the household (i.e. too many people living in too few bedrooms).

Zoned Capacity

Another approach to estimating future development is through calculating **zoned capacity**. Zoned capacity is a ‘build out’ assumption of the maximum floor space that could be built on each site based on existing zoning. Simply calculated, zoned capacity is derived from multiplying site area by the maximum allowable density (floor space ratio). However, this does not factor in other policy or regulatory limitations that constrain achievable density.

- Has no time constraints and over-estimates likely development as it doesn’t consider the economic realities of development and choice of owners. For example, some land owners choose not to redevelop for a variety of reasons.
- Does not factor in existing City land use policies that enable rezoning.
- Does not consider policies for the retention and protection of heritage and Single Room Occupancy hotels (SROs).

Over the coming months, the City of Vancouver will be engaging the public on the Vancouver Plan and what is most important to the community as we continue to grow as a city and region. This input and feedback, along with technical work on different approaches to growth, will help guide the long-term planning process and creation of the Vancouver Plan. Please join us in this effort at www.vancouverplan.ca.