

## OCP Background Report

### Population, Employment and Housing Projections 1996-2021

#### 1. Introduction

The Capital Regional District is in the early stages of developing a Regional Growth Strategy. This report provides background information on population, housing and employment projections in support of the first Growth Strategy option evaluated, the Official Community Plan (OCP) Option. A number of assumptions have been made to complete the projections for this option, the most critical assumption being that growth will take place according to the land use policies contained in the OCPs as they currently exist.

#### 2. CMA Population Projection

The Victoria Census Metropolitan Area (CMA) population is expected to grow by almost 60,000 people to a total of 372,480 in 2010. By 2021, the population will grow another 44,670 to a total of 417,150. These population projections were based on Stats BC projections and the existing 1996 Census data.

An evaluation of the population projections by age group showed that there will be an increase in the proportion of population in older age groups over time. For example, in 1996 the largest age group was the 35 to 39 year olds, but in 2021 the largest will be the 55 to 59 year old age group. Similarly, the 65 to 69 year age group will more than double between 1996 and 2021 to over 25,000 people.

#### 3. CMA Housing Projections

##### 3.1 CMA Supply

This report projects housing supply based on the OCP Option - that is, future supply has been based on the residential land uses designated in the OCPs of individual municipalities. From these OCPs, there is a total capacity in the region for 186,550 dwellings (excluding Indian Reserves) of which 131,980 were estimated by the Urban Capacity Inventory to exist in 1996. However, since it is not realistic, for several reasons, to assume that all of the unbuilt capacity will ever be developed, the OCP Option assumed that 95% of the total capacity can be built. This is referred to as the practical capacity, and totals 177,230 dwellings. This means that there are an additional 45,250 dwellings which may be constructed before the practical capacity is reached.

This report divides housing supply into Single Detached, Other Ground Oriented, and Non-Ground Oriented categories.

##### 3.2 CMA Demand

This report's housing demand estimates are based on several factors, including:

- o Total Population

- Family Formation Rates
- Household Types
- Age Distribution
- Demand for Rental vs. Owned Dwellings

The most recent available information on these factors was the 1991 Census which have been used (with slight modification) to project future housing demand in the study area.

In 1996 the total housing demand for the Victoria CMA was 132,030 units. This figure is expected to increase to 161,750 in 2010 and 185,620 in 2021. The demand for Non-Ground Oriented housing units will increase the most of the three housing categories: from 47,490 units in 1996 to 70,540 units in 2021. Demand for Single Detached housing will also rise but will decline as a percentage of the total housing mix.

The region's practical capacity will be reached by 2018 if the present growth projections are correct and OCP policies are implemented. Even assuming that Indian Reserve Lands can absorb approximately 2,180 units of supply, Single Detached dwellings will be depleted before that, by 2007. A surplus of Other Ground Oriented dwellings is projected, therefore some of the excess demand for Single Detached may be absorbed by Other Ground Oriented. A deficit of 960 Non-Ground Oriented units is forecast in 2021.

4. Municipal Population Projection and Housing Requirements  
Once the CMA projections were complete, the population and supply and demand for housing were also projected at the municipal level to the year 2018. This year was chosen because it is the year when the practical capacity of residential units for the whole of the CMA is reached. Based on existing OCPs, the Western Communities will see the highest rate of growth while the Core will see the lowest.

The Western Communities (Sooke, Langford District, Langford EA, View Royal, Colwood, Metchosin, Highlands) currently have approximately 18% of the total Victoria CMA population. By 2018, that share is expected to increase to 30%. This is concentrated in Langford District and Colwood which will absorb 75% of the Western Communities growth between 1996 and 2018. The remaining practical housing capacity in 1996 for new dwelling units in the Western Communities is approximately 25,690 units, of which approximately 46% are Single Detached, 24% Other Ground Oriented, and 30% are Non-Ground Oriented.

Population growth in the Core (Esquimalt, Victoria, Oak Bay, Saanich) is expected to be relatively slow compared to the rest of the region. The population of Oak Bay is actually expected to decrease, mostly because of declining average household sizes. Other Core Municipalities are expected to have average growth rates below 1% between 1996 and 2018. Victoria, Esquimalt and Oak Bay have essentially already reached their practical

capacity for Single Detached dwellings, leaving only Saanich with capacity for new Single Detached dwellings.

Like the Core, population growth in the Peninsula (Central Saanich, North Saanich, Sidney) is expected to be slow: less than 1% per year overall. The remaining practical housing capacity is almost equally split between Ground Oriented and Non-Ground Oriented units. The remaining practical capacity for Single Detached Dwellings on the Peninsula is 1,040 units, of which approximately 80% are in Central Saanich and 20% in North Saanich.

5. Employment

This report's employment projections assume that the ratio of future employment to population will remain at 1996 levels for each of the municipalities and electoral areas in the future. In Victoria, the region's largest employment centre, this ratio is high: close to 1.0. In a more residential area such as View Royal, this ratio is much lower: close to 0.2.

In 1996, the total employment in the CMA was approximately 146,240; by 2018, it is expected to rise to 188,210. As with population, the greatest growth will be in the Western Communities.

6. Next Steps The next step in the assessment of the OCP Option will be to analyze the results and impacts of these projections. When this analysis is conducted, several issues identified in this report will require further attention. These include:

- o Potential for development on Federal Crown Lands
- o Potential for growth on First Nations Lands
- o Excess demand for specific housing types
- o Impact of Secondary Suites
- o Likelihood that development will reach or exceed the OCP capacities.