



**REPORT TO PLANNING AND PROTECTIVE SERVICES COMMITTEE
MEETING OF WEDNESDAY, MAY 15, 2019**

SUBJECT **Regional Growth Strategy Population Projections Update**

ISSUE

To initiate an amendment to the 2018 Regional Growth Strategy (RGS) Table 1: Population, Dwelling Unit and Employment Projections, in accordance with requirements set out in the *Local Government Act*.

BACKGROUND

The 2018 RGS contains population, dwelling unit and employment numbers for all municipalities and the Juan de Fuca Electoral Area¹. The numbers are based on the 2011 census because at the time the RGS was finalized, sufficient information had not yet been released from the 2016 census to allow for more current numbers.

On March 14, 2018, the CRD Board adopted Bylaw No. 4017, "Capital Regional District Regional Growth Strategy Bylaw No. 1, 2016". Adoption followed a non-binding dispute resolution process through which participants agreed to "update the projections with most recent census numbers as soon as practicable."

The data necessary to update projections became available early in 2019. Staff then engaged the services of BC Statistics to prepare detailed projections. Projections were prepared at both sub-regional (Appendix A) and municipal (Appendix B) levels. Appendix C details projections and methodology. Appendix C provides information for all parts of the region (including Salt Spring Island, the Southern Gulf Islands and First Nations lands).

Sections 432 to 434 and 450 of the *Local Government Act* set out requirements for processing the regional growth strategy amendments needed to incorporate updated projections.

ALTERNATIVES

Alternative 1

That the Planning and Protective Services Committee recommends to the Capital Regional District Board:

- a) That an amendment to Bylaw No. 4017 "Capital Regional District Regional Growth Strategy Bylaw No. 1, 2016" Table 1 be initiated to show sub-regional population, dwelling unit and employment projections, as shown in Appendix A;

¹ The RGS does not apply to Salt Spring Island, the Southern Gulf Islands and First Nations lands and as such data for these areas are not included in RGS projections.

- b) That the consultation plan (Appendix D) for the amendment of the 2018 RGS be approved, including the waiving of a public hearing; and
- c) That the Minister of Municipal Affairs and Housing, municipal councils and the Juan de Fuca Land Use Committee be notified that an amendment to the RGS has been initiated.

Alternative 2

That the Planning and Protective Services Committee recommends to the Capital Regional District Board:

- a) That an amendment to Bylaw No. 4017 “Capital Regional District Regional Growth Strategy Bylaw No. 1, 2016” Table 1 be initiated to show municipal population, dwelling unit and employment projections, as shown in Appendix B;
- b) That the consultation plan (Appendix D) for the amendment of the 2018 RGS be approved, including the waiving of a public hearing; and
- c) That the Minister of Municipal Affairs and Housing, municipal councils and the Juan de Fuca Land Use Committee be notified that an amendment to the RGS has been initiated.

DISCUSSION

Per the BC Statistics' projection, the region's population is expected to increase from 392,100 in 2018 to 478,500 in 2038. This equates to a 1.0% average annual growth rate. Dwelling unit growth is expected to be slightly more rapid (1.4% average annual growth rate) in response to diminishing household sizes resulting from smaller family units and more individuals living alone. Employment numbers are expected to increase by 23.7% over the 2018-2038 period.

The projections provided in Appendices A-C provide *one* possible interpretation on how future growth may end up being distributed across the region. The projections have been prepared using a demographic approach based on BC Statistics' PEOPLE (Population Extrapolation for Organizational Planning with Less Error) methodology. This method projects population forward using a Component/Cohort-Survival model. It uses fertility, mortality and migration assumptions, and applies them to a base year age-specific population. Over time, cohorts are 'aged', while also considering the effects of net migration, deaths and births. This approach contrasts with a land-use analysis approach which would require extensive/detailed assessment of developable land in each municipality. Previous attempts to prepare land-use based population projections have proven unsuccessful given the uneven availability of necessary municipal land use information.

Both Alternatives 1 and 2 would update population, dwelling unit and employment projections and fulfill dispute resolution commitments. The difference between the Alternatives is that one would provide projections only at a *sub-regional* level (Alternative 1), whereas the other would provide projections at a *municipal* level (Alternative 2). Municipal planning directors have indicated a preference for sub-regional projections given that accuracy is likely to be greater at that scale.

Although *municipal* level projections are not mandated for the RGS, such projections may be useful for various planning purposes. For example, new provincial requirements took effect on April 16, 2019 which require local governments to project population in the context of Housing

Needs reports. Regardless of whether municipal projections are used in the RGS, municipalities may find it helpful to have the option of using municipal projections for their Housing Needs reports or other planning purposes. The CRD can make the municipal-specific projections available whether or not they are included in the RGS.

IMPLICATIONS

Legislative Implications

The *Local Government Act* (S. 429) stipulates that a RGS must include population and employment projections for the period covered by the regional growth strategy. The legislation does not stipulate that the projections must be provided at a *municipal* level. *Region-wide* or *sub-regional* projections would satisfy legislative requirements. As such, both Alternatives 1 and 2 would satisfy legislative requirements.

Local Government Act S. 437 (4)(c) stipulates that the proposed RGS amendment cannot be processed as a minor amendment because it relates to a matter agreed to as part of a non-binding RGS mediation process. As such, the amendment is subject to a consultation process. Legislation requires unanimous municipal consent for the RGS amendment.

Municipal Implications

The Development and Planning Advisory Committee (made up of municipal and Juan de Fuca Electoral Area Planning Directors) reviewed draft projections at a meeting on April 12, 2019. The group discussed methodology, projections versus forecasts, aggregation of data, and relationship of projections to development applications. There was majority preference expressed for only including sub-regional (and not municipal-specific data) in the RGS. Alternative 1 would deliver on that preference.

Municipal projections are not required to align with those in the RGS. If there is a difference, the variation would be identified and explained in the next update of municipal Regional Context Statements.

Procedural Implications

Majority support of the CRD Board is required to initiate and approve an amendment to the RGS.

Section 450 of the *Local Government Act* requires Intergovernmental Advisory Committee (IAC) review of the proposed amendment. An IAC was established for the 2018 RGS. The consultation plan proposes to email information on the proposed amendment to that IAC membership to seek input.

As per section 436 of the *Local Government Act*, all 13 municipal councils must accept the requested amendment before it can be adopted as bylaw.

Consultation Implications

Section 434 of the *Local Government Act* sets out RGS consultation requirements, including the need to consult with residents of the capital region and the need to consider whether to hold a public hearing as part of the consultation process.

Upon Board direction, CRD staff would facilitate referral to the IAC and First Nations and ensure that the proposed amendment is featured on the CRD website, with opportunity for those wishing to comment to relay correspondence to the Committee/Board. Given these opportunities and the anticipated low level of interest, a public hearing specific to the proposed amendment would not substantively add to consultation and can be waived at the Board's discretion. Staff recommend waiving of the public hearing.

Timing Implications

Upon Board approval of the recommendations, staff would initiate the consultation process, which is expected to take two months to complete. Following consultation, staff would report back to Committee, likely in September, to initiate bylaw amendments. Before third reading of the bylaw, the amendment would be referred to municipalities. Municipalities have 60 days to either accept or reject the proposed amendment. It is thus anticipated that the earliest the amendment could be incorporated in a revised bylaw would be by year end.

CONCLUSION

Amending the RGS to include updated projections will provide more accurate and meaningful information for those using the RGS and will fulfill RGS dispute resolution commitments.

RECOMMENDATIONS

That the Planning and Protective Services Committee recommends to the Capital Regional District Board:

- a) That an amendment to Bylaw No. 4017 "Capital Regional District Regional Growth Strategy Bylaw No. 1, 2016" Table 1 be initiated to show sub-regional population, dwelling unit and employment projections, as shown in Appendix A;
- b) That the consultation plan (Appendix D) for the amendment of the 2018 RGS be approved, including the waiving of a public hearing; and
- c) That the Minister of Municipal Affairs and Housing, municipal councils and the Juan de Fuca Land Use Committee be notified that an amendment to the RGS has been initiated.

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Attachments: Appendix A – RGS Table 1 – Sub-regional Projections
Appendix B – RGS Table 1 – Municipal and EA Projections
Appendix C – BC Statistics Methodology Report
Appendix D – Consultation Plan for RGS Amendment