

Updated Population and Housing Issue Paper

Regional Plan Review Phase 4

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1.0 Background

1.1 Regional Plan

The Regional Municipal Planning Strategy (the Regional Plan) is the document that Regional Council uses to guide land use. It emphasizes a balanced approach to development and establishes targets for directing the location of new housing over the life of the Regional Plan (2006-2031), which are based on population projections.

Each time the Regional Plan is reviewed, the Municipality assesses its progress toward achieving the housing growth targets. This requires evaluating population and housing forecasts and their relationship to the available supply of developable land, housing supply and demand, and the provision of a range of housing choices.

1.2 Previous Issue Papers

1.2.1 Original Issue Paper (June 2021)

In June 2021, Regional Planning released a '[Preliminary Population & Housing Analysis](#)'. The goal of that Issue Paper was to understand the dynamic between the projected demand for housing and Halifax's land use capacity to accommodate residents in different housing types.

The paper identified three population scenarios that drove projected future demand for housing in the municipality. It then calculated capacity for new residential development in identified "Intensification Areas" and used three land use scenarios to compare the demand to the capacity.

The results of this analysis concluded that:

- a. there was regulatory capacity to accommodate overall population growth in the short to moderate term,
- b. based on the 2016 propensity to live in different housing types, there would continue to be high demand for ground-based units, while the majority of the capacity for new housing was in the form of apartment-style units, and
- c. that the development of the remaining Future Serviced Communities should be considered in the near term, if Regional Council chooses to respond to the 2016 propensity for ground-based units.

1.2.2 Supplementary Report (December 2021)

Regional Planning provided a supplementary report to the original Issue Paper in December 2021, to respond to some specific topics and questions identified: [\(Attachment D\) Preliminary Housing and Population Issue Paper: Supplementary Report](#).

This report has several sections:

- a. The first section identified an additional population scenario, based on new direction from the Provincial Government targeting 2 million people in Nova Scotia by 2060.
- b. The second section discussed the Regional Plan's role in directing future growth and explored the ways we grow: through infill and expansion.
- c. The third section provided information on the market's influence on housing conditions and identified a method of estimating a possible existing housing construction undersupply.

1.2.3 Re-evaluation of population scenarios (May 2022)

After Statistics Canada had published new population data in early 2022 (for the year 2020/2021), staff published [\(Attachment L\) Annual Population Scenario Evaluation 2022](#). This report evaluated the assumptions made in the population scenarios and proposed adjusted scenarios based on new data.

1.3 Report Purpose and Scope

Since the original Issue Paper, there have been several changes that influence this type of population and housing analysis:

- New data on population and housing published
- The addition of the 'Nova Scotia Targeted Migration' (NSTM) population scenario
- Adjusted population scenarios
- The estimation of a potential pre-existing construction undersupply
- Additional lands identified as intensification/growth areas
- Adjusted unit/density assumptions for the intensification areas

The goal of this report, developed as part of Phase 4 of the Regional Plan Review, is to update the analysis from the original issue paper by incorporating the above-noted changes.

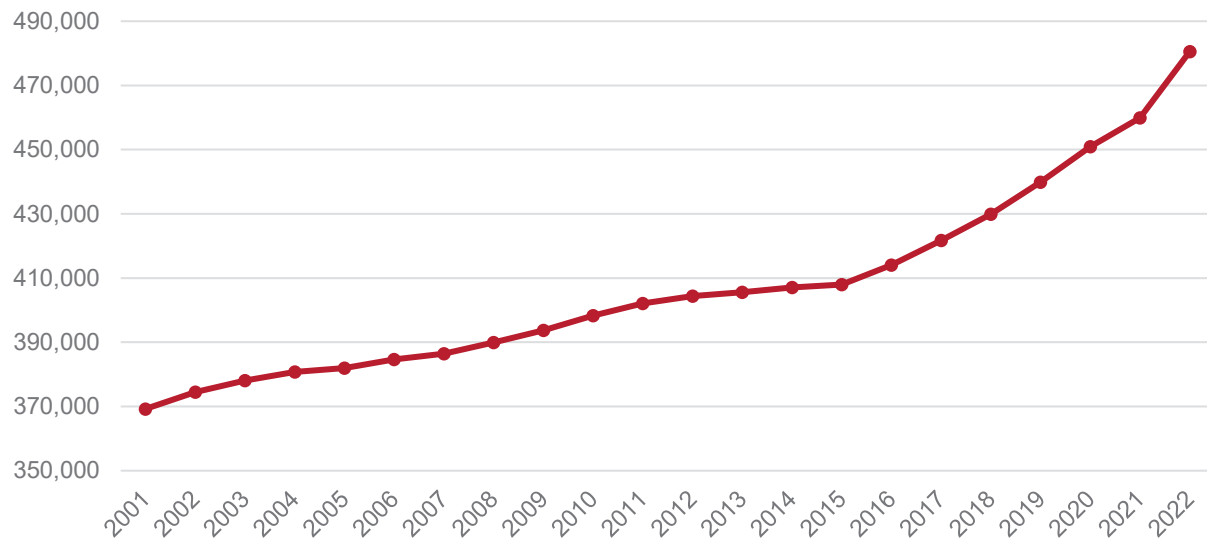
Although this analysis has been prepared alongside the draft plan release, staff are continually monitoring trends and refining assumptions to improve the work and respond conditions as they change.

2.0 Recent Trends & Changes

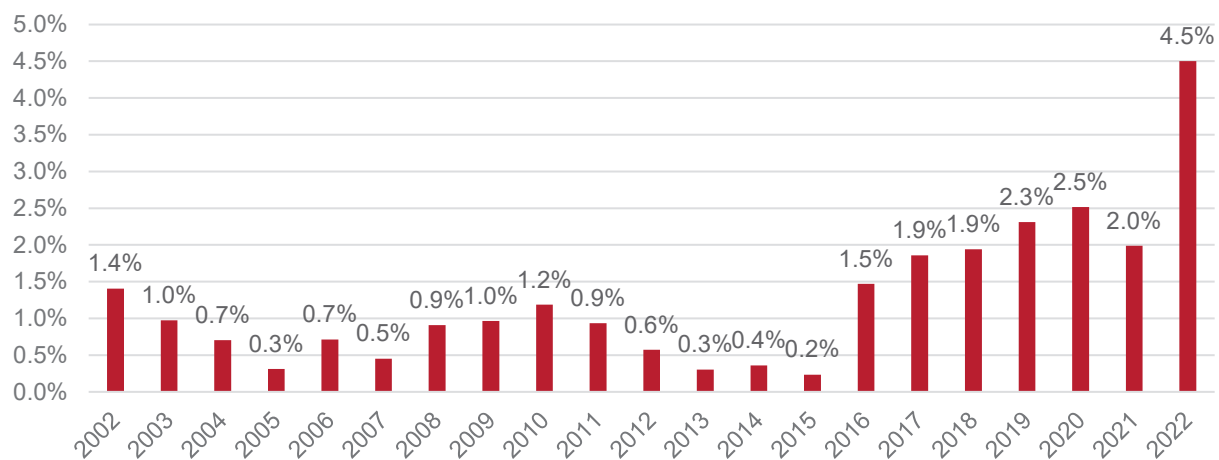
2.1 Population

Halifax's population has been rapidly increasing over the last several years. Prior to 2016, population had been increasing at approximately a 1% growth rate; however, since then the annual growth rate has doubled to close to 2% each year. The most recent data shows the largest increase yet this past year: growth of approximately 20,000 people or 4.5% from July 2021 to July 2022.

Population Estimate, Halifax, Statistics Canada



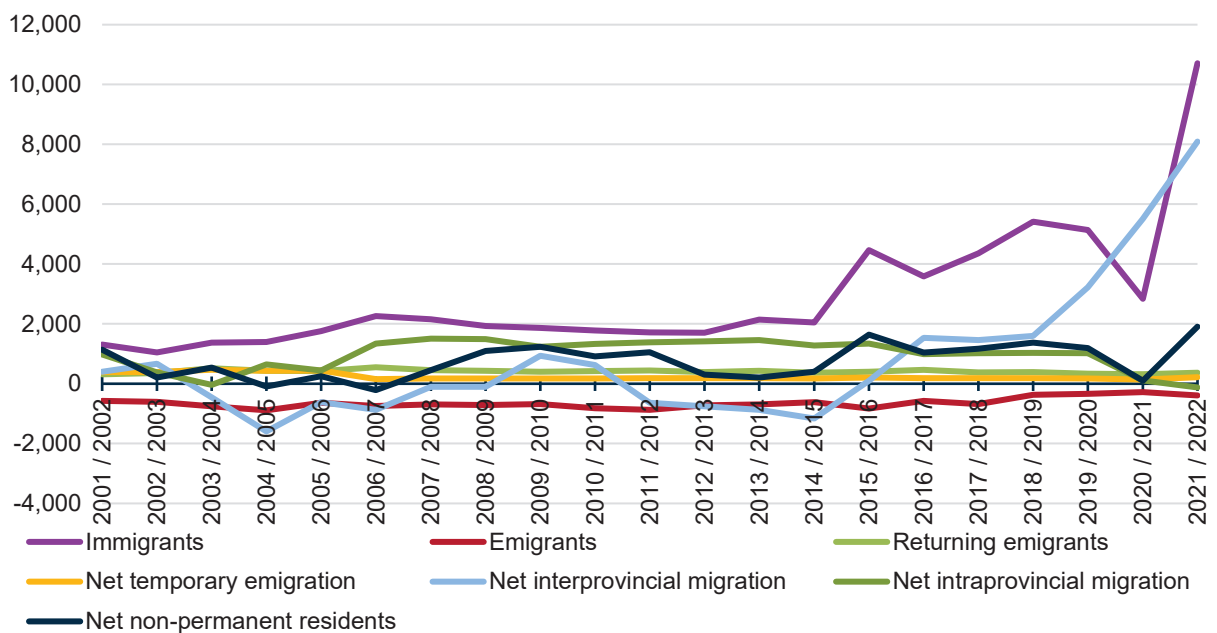
Annual Population Growth Rate, Halifax, Statistics Canada



Migration is the reason for this sudden and dramatic growth:

- **Immigration** had been high starting in 2016 and has been the largest contributor to growth since that time. Although there was a drop in 2020/2021 due to the pandemic, the clearing of the immigration backlog toward the end of 2021¹ has pushed immigration numbers higher than ever in this most recent year.
- **Interprovincial migration**, which had been high by recent standards since 2016, increased dramatically during the COVID-19 pandemic. This is likely due to several factors, such as remote work being more of an option now than ever before, people seeking more outdoor space or less expensive housing than they were able to get elsewhere in Canada, and others deciding to retire earlier than they otherwise may have.
- There was a drop in **Non-permanent residents** in 2020/2021 due to the pandemic, but in 2021/2022 this group had increased even higher than pre-COVID levels.
- In terms of **Intraprovincial migration**, more people moved from Halifax to other parts of Nova Scotia in 2021/2022 than moved into Halifax from other parts of the province. This is the first time that has occurred since 2003/2004.
- Emigration has remained relatively unchanged in recent years.

Migration to Halifax by Type, Statistics Canada

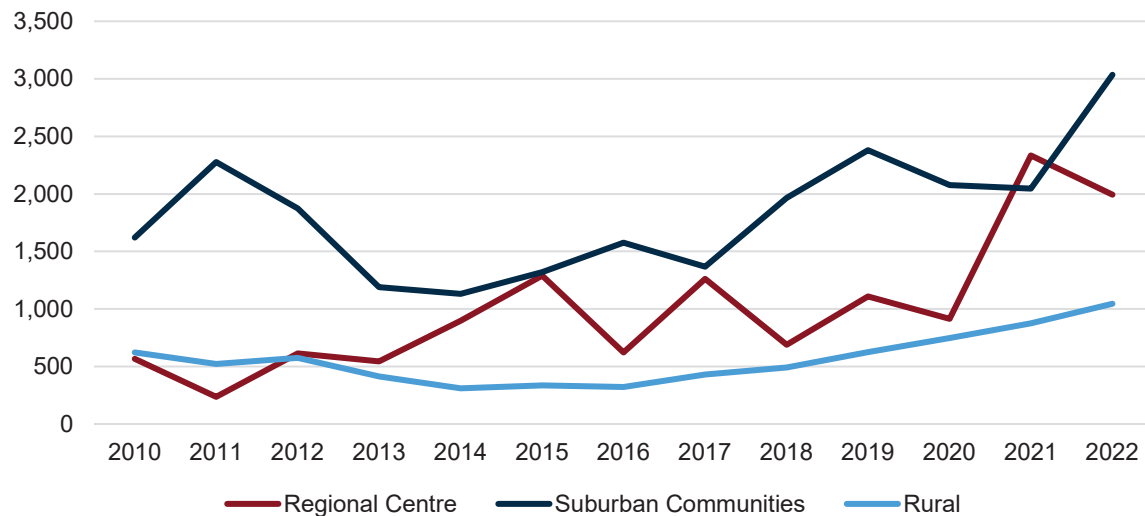


¹ Immigration, Refugees and Citizenship Canada (2022, December 19). *Canada marks record-breaking year for processing immigration applications*. Retrieved from: <https://www.canada.ca/en/immigration-refugees-citizenship/news/2022/12/canada-marks-record-breaking-year-for-processing-immigration-applications.html>

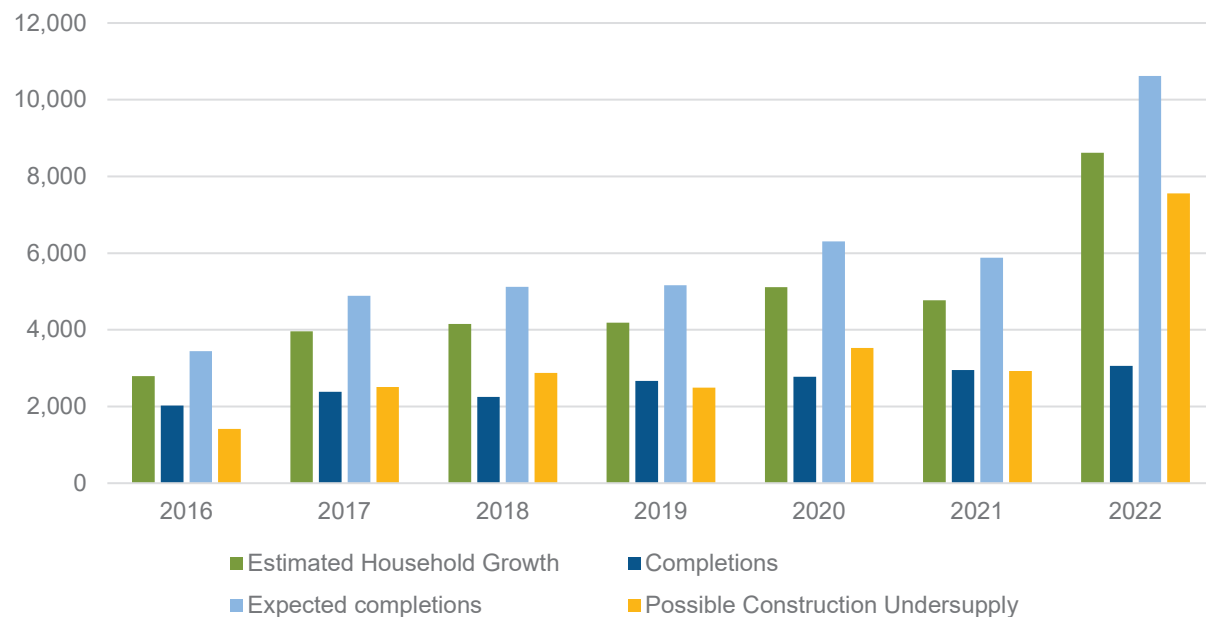
2.2 Housing

Over the last couple of years, there has been a significant increase in the number of residential units that have been allowed to start construction as a result of building permits issued. However, although the number of units completed has also been increasing, the number of new units has not kept up with the rapid population growth in the Halifax Region since 2016.

New Residential Units from Permits Issued



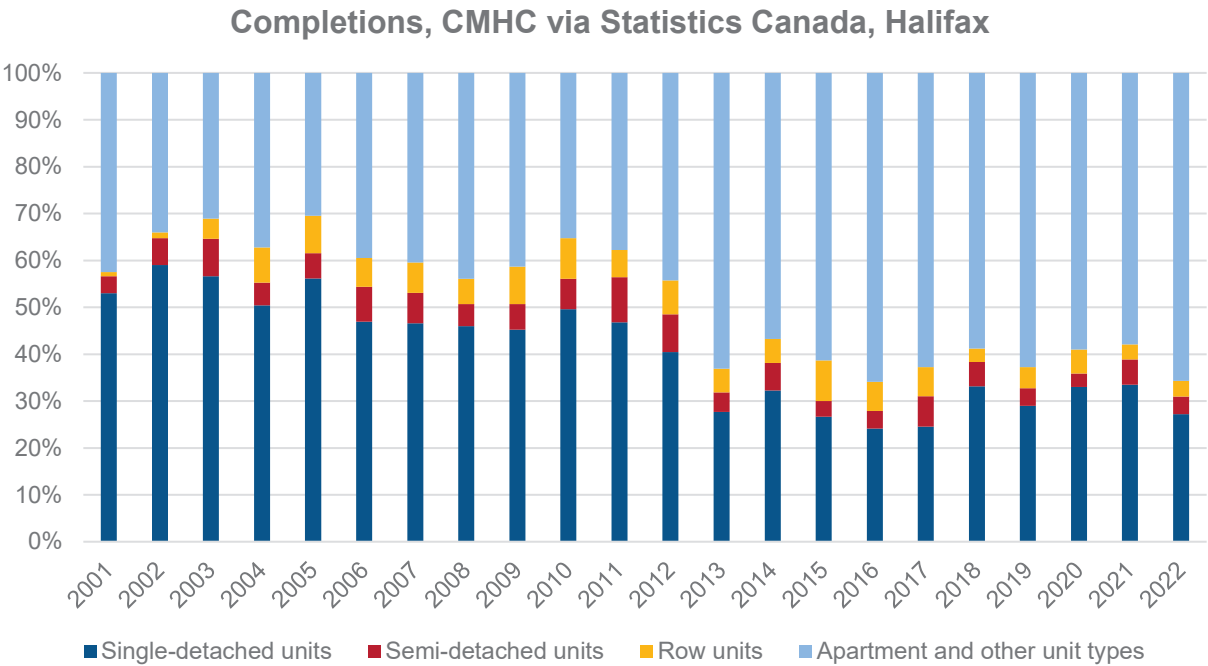
Possible Construction Undersupply



Staff have calculated a ratio of completions to new households for the 2006-2015 period, and applied that to the estimated household growth from 2016 to 2022. This provides an estimate of the possible construction undersupply, which has been added to the demand for new residential units driven by population increase in the scenarios in this report. This means the analysis is accounting not only for new units to accommodate future growth, but also the units needed to balance the current market.

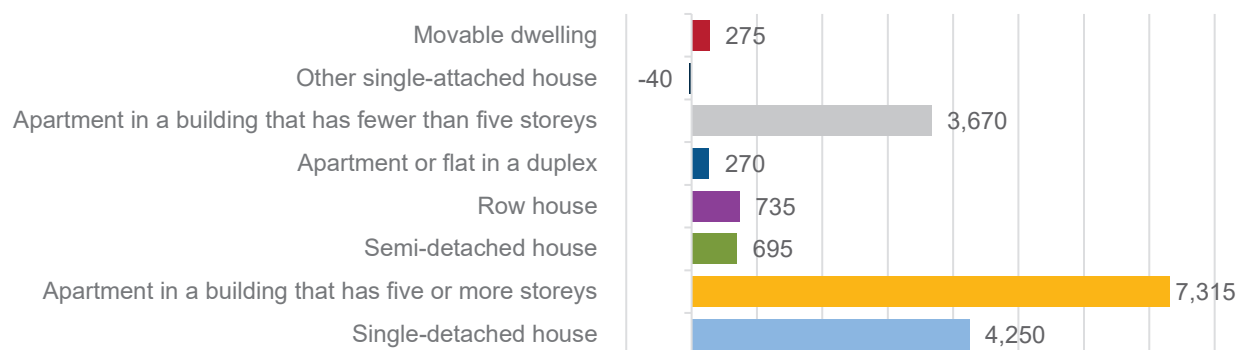
2.3 Housing Type

Although more households live in single-detached homes than any other type of housing in the Halifax region, that is beginning to change. Over the last decade, apartment-style units have made up the majority of new units constructed.



This trend is reflected in the 2021 Census, which shows that the number of households living in apartments has grown significantly more than the number of households living in single-detached homes since the last Census in 2016.

Change in Occupied Dwellings by Type, Statistics Canada, 2016-2021



This trend indicates that although there is still strong demand for ground-based housing, construction of apartment units can shift more households into that type of housing. Higher density living is a key component of urban infill, which is how the Regional Plan envisions most future growth will be accommodated.

2.4 Land Use Policy & Regulations

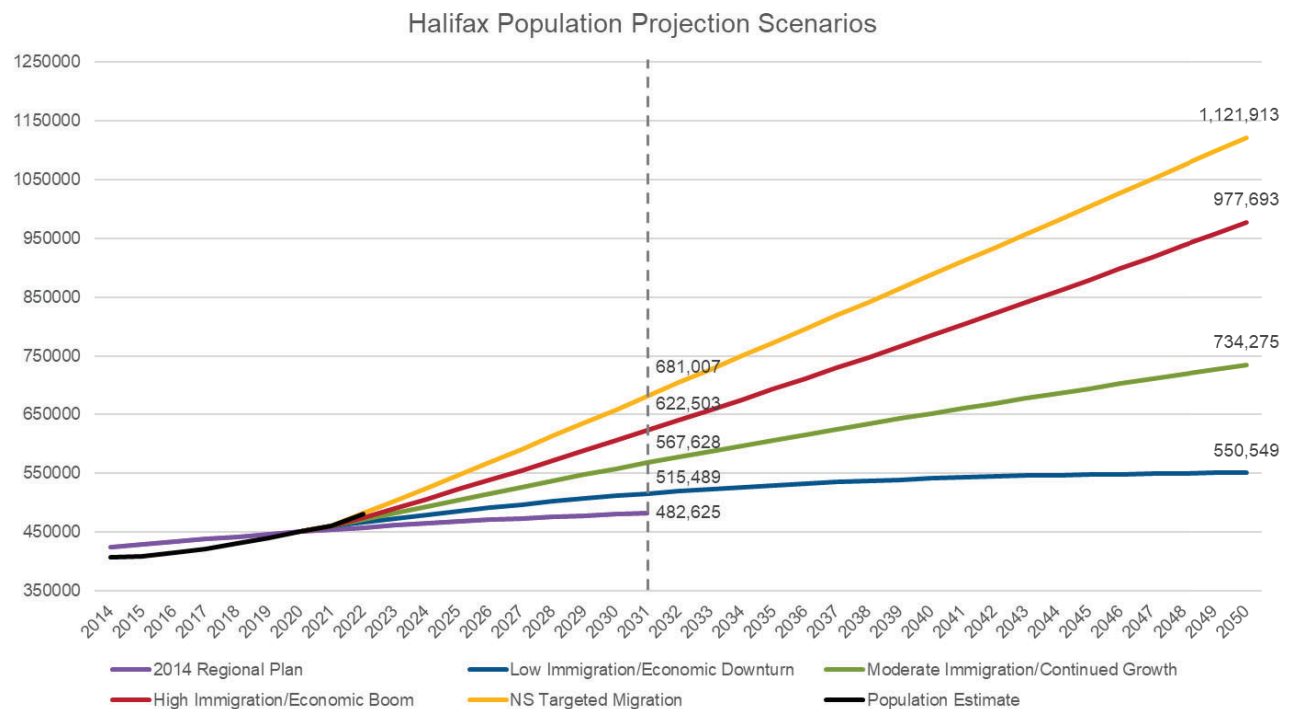
Since the original issue paper, there have been changes to land use policy and regulations, as well as new projects approved, all of which affect the estimated 'regulatory capacity' for new housing.

- [Centre Plan Package B](#) was adopted in late 2021 – this caused some changes to the amount of land designated Centre/Corridor/High-Order Residential, and included the addition of the Southdale Future Growth Node.
- Construction on the infrastructure for the [Cogswell District](#) is underway – future residential growth associated with this development had not been included in the original analysis.
- Several [Special Planning Areas](#) were designated by the newly formed [Executive Panel on Housing in the Halifax Regional Municipality](#).
- [Phase 3 of the Regional Plan Review](#) was completed in 2022; this phase focused on a series of 'Quick Adjustments' to policy, including enabling development on several specific sites.
- There have been additional development agreements and site plan approvals approved since the original analysis.
- There has been a re-evaluation of the intensification areas around the proposed **Bus Rapid Transit (BRT) Corridors**, which has changed some of the hypothetical designations developed for [Rapid Transit Strategy](#) analysis. The updated potential designations are still in draft form and do not reflect existing zoning, however, they are represented on Map 3 of the Draft Regional Plan.

3.0 Updated Analysis

3.1 Population Scenarios

The below graph displays the updated scenarios as adjusted in May 2022. The most recent population estimates from Statistics Canada show that our last year of growth was on track with the highest (NSTM) scenario.



Although we cannot predict the future, having a range of scenarios allows us to envision what multiple futures could look like, and how our policy is positioned to respond to that uncertainty. When planning for housing, there is no harm in planning for a higher population scenario – the Regional Plan’s focus is on providing enough regulatory capacity in the housing system for the market to respond to the demand that occurs.

3.2 Unit Counts and Densities

In the most recent analysis, the number of existing units has been updated to reflect the most recent information in Halifax’s Corporate Building Model.

The number of units associated with various projects have also been updated as plans evolve and are finalized.

Further, this report presents a re-evaluation of the density assumptions made for growth areas in the Regional Centre and Suburban areas. The original assumptions (as used in the June 2021 Issue Paper) were based on the Pattern Book (an engagement tool used for the 2006 Regional Plan that evaluated the financial cost of different patterns of development), the

assumptions made in the Rapid Transit Strategy, existing observed densities, and staff expertise. These values did not represent “full build-out potential”, but were an attempt to estimate density where not every parcel is redeveloped to its maximum residential potential.

However, over the last couple of years, there has been large redevelopment uptake since the approval of Centre Plan. To respond to this and to represent a better idea of the true regulatory capacity for redevelopment, staff have been working through a density exercise to estimate more of a full build-out by modelling building scenarios using average characteristics of individual designations in the Regional Centre (Centres, Corridors, Higher-Order Residential, and Downtowns). The building scenarios modelled assume consolidation of parcels and redevelopment to the maximum building form permitted. As a result, the densities from this exercise are significantly higher than the assumptions that informed the previous analysis, and do not represent expected redevelopment by a given date:

Designation	Density (Units per hectare)	
	Original Assumptions (June 2021)	New Assumptions (May 2023)
Centre	185 <i>(143 in suburban areas)</i>	501
Corridor	89	230
Higher-Order Residential	143	546
Downtown Dartmouth	143	445
Downtown Halifax		766
Potential Draft Suburban Future Growth Nodes (gross density which includes future rights-of-way)	99	188

This report presents both sets of density assumptions to demonstrate a range of possibility. Note that this is a high-level exercise and does not consider factors such as land ownership, parcel fabric, and redevelopment feasibility. Work to determine density factors is ongoing and may be further refined with additional analysis.

3.3 Methods

The process of comparing future housing demand to capacity for new housing is as follows:

- a. Project future population using assumptions relating to fertility, mortality, and migration.

- b. Translate the projected population into demand for future housing using headship rates; this results in the number of residential units needed to house the total future population.
- c. Remove existing residential units from the total amount needed, add the potential construction undersupply estimated, and account for an apartment vacancy rate. This results in the number of new housing units needed to accommodate the future population.
- d. Allocate a fixed percentage of the new units needed to the rural area and to 'background growth' (construction outside the identified growth areas). The remainder is the amount of the demand for new units that is allocated to the intensification/growth areas.
- e. Calculate the regulatory capacity of the growth areas using density assumptions or unit estimates for individual projects.
- f. Compare the demand for new housing units being allocated to the growth areas to the capacity of those growth areas.

The capacity has been examined through the lens of three land use scenarios, which reflect different regional growth targets and different growth areas.

Ideally, there should be several times more capacity for new residential units in the growth areas than the future demand allocated to those areas.

For more information on methodology, please refer to the [Original Issue Paper \(June 2021\)](#).

3.4 Results by Land Use Scenario

3.3.1 Scenario A: 2014 Regional Plan

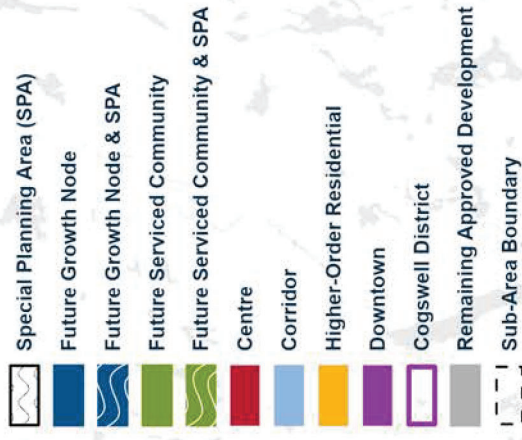
In 2014, the Municipality was still planning for 1% annual growth, and analysis revealed that the Regional Plan's growth targets (25% of growth to the Regional Centre, 50% to the Suburbs, and 25% to Rural Areas) were not being met. Meanwhile, the Stantec Scenarios study indicated that achieving the Regional Plan Growth targets would be critical for the Municipality in terms of infrastructure cost savings, and found that it would be beneficial to concentrate even more growth in the Regional Centre than the initial growth targets called for. Therefore, the 2014 Regional Plan took the direction of further concentrating growth in the Regional Centre, and identified Future Serviced Communities that could be brought online in the Suburban Areas. The growth targets became: 75% of growth to the Urban Communities and 25% to Rural areas, with at least 25% of the urban growth going to the Regional Centre. In 2019, the Municipality approved Centre Plan Package A, which could accommodate 40% of growth in the Regional Centre in key areas for intensification.

This land use scenario explores growth allocation according to the 2014 Regional Plan, with 25% of total growth going to Rural Areas, and intensification occurring in the Regional Centre Plan areas, as well as the Future Serviced Communities.

SCENARIO A

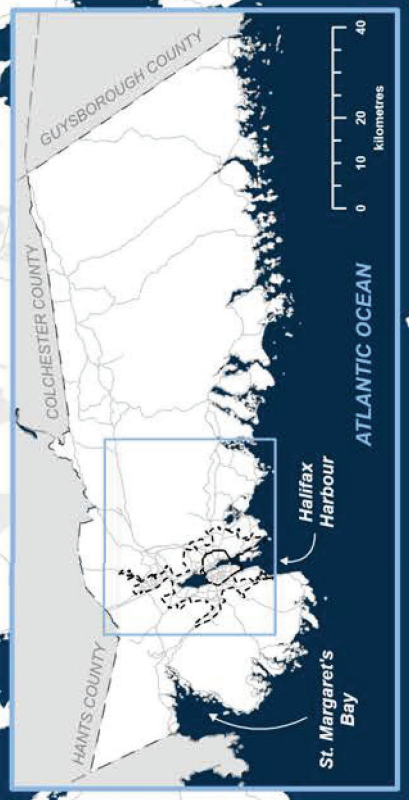
2014 Regional Plan

Growth Areas



SUBURBAN AREA

REGIONAL CENTRE



PCS: IAD 1983 CSRS 2010 MTR & Nova Scotia
Datum: North American Datum 1983 CSRS
Projection: Transverse Mercator
Central Meridian: -64.5000
Latitude of Origin: 0.0000
Longitude of Origin: 0.0000
False Easting: 25,500,000.0000
False Northing: 0.0000
Scale Factor: 0.9999
Map Units: Metre

Map created by Halifax Regional Municipality Planning Information Services.
The following is a graphical representation and although care has been taken to ensure the best possible quality, HRM does not guarantee the accuracy of this document.

SCENARIO A: 2014 REGIONAL PLAN			Original Density Assumptions		New Density Assumptions	
Capacity			106,000		292,000	
Horizon Year	Population Scenario	Total Demand to Growth Areas	Capacity – Demand	How many times capacity to demand?	Capacity – Demand	How many times capacity to demand?
2031	Low	33,000	73,000	3.2	259,000	8.9
	Moderate	47,000	58,000	2.2	244,000	6.1
	High	63,000	43,000	1.7	228,000	4.6
	NSTM	78,000	28,000	1.4	214,000	3.8
2050	Low	47,000	59,000	2.3	245,000	6.2
	Moderate	100,000	6,000	1.1	192,000	2.9
	High	169,000	-63,000	0.6	123,000	1.7
	NSTM	208,000	-102,000	0.5	84,000	1.4

***These numbers may not add up exactly due to rounding.

3.3.2 Scenario B: The Next 10 Years

Following the 2014 Regional Plan and the Centre Plan, the Municipality began further assessing growth as it relates to mobility. The Integrated Mobility Plan (2017) assessed the mode share targets and suggested that in order to meet them, as much as 90% of growth should be accommodated within the urban settlement or service boundary. It proposed new regional growth targets of approximately 40% of growth in the Regional Centre, 50% in Suburban communities, and 10% in Rural communities. The Rapid Transit Strategy (2020) was the next step in assessing how this growth could be organized in the suburban communities around proposed Bus Rapid Transit (BRT) routes, and assessed how much development could be realized surrounding these routes.

The primary difference between this scenario and Scenario A, is that by using the Integrated Mobility Plan growth targets, Scenario B allocates 10% of growth to the Rural Areas, as opposed to 25%. There is also additional capacity available in this scenario, as it accounts for the Regional Plan Review Phase 3 amendments, as well areas surrounding future proposed BRT routes and other transit corridors that were identified for possible intensification. The designations shown in the suburban areas are *potential/draft designations* for the purposes of envisioning future housing capacity and are subject to change.

SCENARIO B

The Next 10 Years

Growth Areas & Potential Draft Growth Areas

-  Special Planning Area (SPA)
-  Future Growth Node
-  Future Growth Node & SPA
-  Future Serviced Community
-  Future Serviced Community & SPA
-  Centre
-  Corridor
-  Higher-Order Residential
-  Downtown
-  Cogswell District
-  Site Specific Amendments to the Regional Plan (Phase 3)
-  Remaining Approved Development
-  Sub-Area Boundary

SUBURBAN AREA

REGIONAL CENTRE

0 1 2 4
kilometres

ATLANTIC OCEAN

0 10 20 40
kilometres

N

Halifax Harbour
St. Margaret's Bay

COLCHESTER COUNTY
GUYSBOROUGH COUNTY
HAITS COUNTY

PCS: NAD 1983 CSRS 2010 MTM 5 Nova Scotia
Projection: Transverse Mercator
Central Meridian: -64.5000
Latitude of Origin: 0.0000
False Easting: 25 500 000.0000
False Northing: 0.0000
Scale Factor: 0.9999
Map Units: Metre

Map created by Halifax Regional Municipality Planning Services.
The following is a graphic representation and although care has been taken to ensure the best possible quality, HRTM does not guarantee the accuracy of this document.

SCENARIO B: THE NEXT 10 YEARS			Original Density Assumptions		New Density Assumptions	
Capacity			162,000		502,000	
Horizon Year	Population Scenario	Total Demand to Growth Areas	Capacity – Demand	How many times capacity to demand?	Capacity – Demand	How many times capacity to demand?
2031	Low	39,000	123,000	4.1	463,000	12.8
	Moderate	57,000	105,000	2.8	445,000	8.8
	High	76,000	86,000	2.1	426,000	6.6
	NSTM	93,000	69,000	1.7	409,000	5.4
2050	Low	56,000	106,000	2.9	446,000	8.9
	Moderate	120,000	42,000	1.4	382,000	4.2
	High	203,000	-41,000	0.8	299,000	2.5
	NSTM	249,000	-87,000	0.6	253,000	2.0

***These numbers may not add up exactly due to rounding.

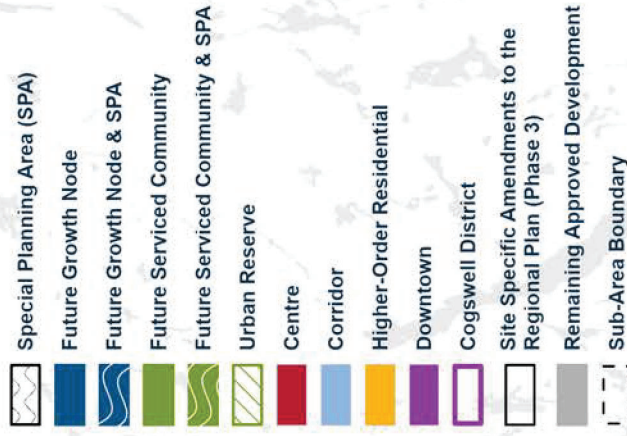
3.3.3 Scenario C: The Future

This scenario seeks to examine longer-range outcomes, by assuming that the Municipality continues with the policy direction for growth allocation from the Integrated Mobility Plan and by bringing on the lands currently designated 'Urban Reserve' as part of the capacity. The Regional Plan Review will consider if adjustments to the Urban Reserve areas are necessary where circumstances may have changed since the Plan was last reviewed in 2014, and will set policy intent to study additional scenarios for future settlement. Due to the long-range nature of this scenario, it was only evaluated on the 2050 time horizon.

This scenario builds on Scenario B, and allocates additional growth to the areas currently designated 'Urban Reserve', for the 2050 time horizon only.

SCENARIO C The Future

Growth Areas & Potential Draft Growth Areas



SUBURBAN AREA

REGIONAL CENTRE



0 1 2 4
Kilometres

PCS: NAD 1983 CSRS 2010 MTM 5 Nova Scotia
Projection: Transverse Mercator
Central Meridian: -64.5000
Latitude of Origin: 0.0000
False Easting: 25 000 000.0000
False Northing: 0.0000
Scale Factor: 0.9999
Map Units: Metre

Map created by Halifax Regional Municipality Planning Information Services.
The following is a graphic representation and although care has been taken to ensure the best possible quality, HPM does not guarantee the accuracy of this document.

SCENARIO C: THE FUTURE			Original Density Assumptions		New Density Assumptions	
Capacity			202,000		542,000	
Horizon Year	Population Scenario	Total Demand to Growth Areas	Capacity – Demand	How many times capacity to demand?	Capacity – Demand	How many times capacity to demand?
2050	Low	56,000	146,000	3.6	486,000	9.6
	Moderate	120,000	82,000	1.7	422,000	4.5
	High	203,000	0	1.0	340,000	2.7
	NSTM	249,000	-47,000	0.8	293,000	2.2

***These numbers may not add up exactly due to rounding.

4.0 Conclusions & Next Steps

The density assumptions made for the Regional Centre and Suburban intensification areas have a significant impact on the total estimated regulatory capacity for housing. This work may be further refined with additional analysis.

Over the next few months, future population and employment distributed to traffic zones will allow staff to complete transportation modelling to determine the impacts of future growth on mode share, which will provide another lens through which to evaluate strategic growth.

If population growth continues at its 5-year trend, we will continue to observe short-run pressure in the housing market; this analysis demonstrates that the Regional Plan and supporting Community Plans must ensure planning policy and regulations use a range of strategies to enable sufficient housing to support future population.