

Town of Oromocto Housing Needs Assessment

The purpose of the Town of Oromocto (Oromocto) Housing Needs Assessment is to better understand the Town's current and future housing needs. This report serves as part of the community's application to the Housing Accelerator Fund (HAF) through the Canada Mortgage and Housing Corporation and is considered one of the minimum application requirements through the Large/Urban Stream.

A housing needs assessment identifies the number and percentage of households in core housing needed against current housing development trends and maintenance capacity, with analysis, gaps, and recommendations outlined in a report. These reports identify existing and projected gaps in the housing supply by collecting and analyzing quantitative and qualitative data about local demographics, economics, housing stock, and other factors. A Housing Needs Assessment is critical to developing a housing action plan.

Local Governance Reform

The Town of Oromocto and 93% of the Local Service District (LSD) of Lincoln were annexed in 2022 as part of a province-wide initiative to decrease the number of municipalities, increase municipal tax bases, and streamline planning and service provision. To reflect this new reality, census data for the Town of Oromocto and the Lincoln LSD were combined to provide an analysis of the Town's current municipal boundaries.

Assumptions

In determining current and future housing needs, it was assumed that one household was needed for every 2.5 residents, based on the average household size of the 2021 census. Further, the Town's future permitting was determined by finding the average number of units permitted each year between 2012 and 2022. Finally, with the total population being available during census years, annual historical growth rates were derived by dividing the population growth rate between census periods (five years) by five.

Population Projections

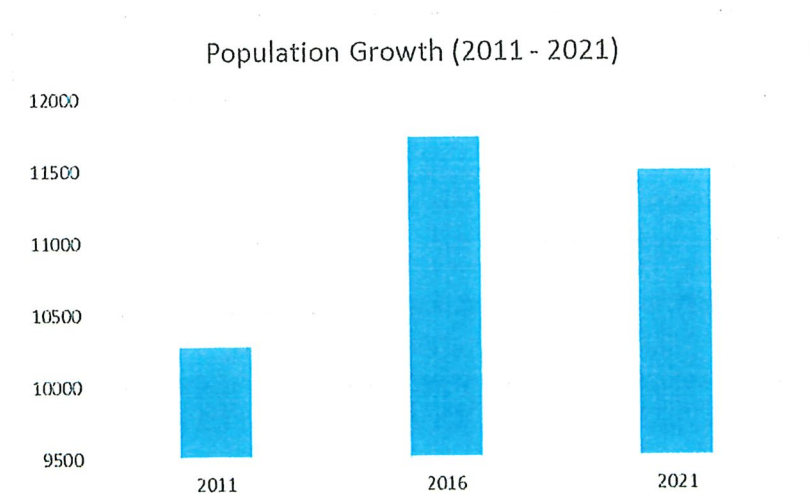
It must be noted that population projection scenarios are estimates and that the exponential method does have flaws. The exponential growth projections in all optimistic scenarios do not consider the size of specific age groups in a population. The exponential projections presented could underestimate population decline, because deaths will increase as the population ages. Data that supports projections that take birth rates and immigration numbers into account are available for Census Metropolitan Areas (CMAs).

Timeline & Community Engagement

This needs assessment was completed with the HAF deadline in mind. To supplement a public engagement process, meetings were held with Municipal Housing Staff during August 2023.

Population Growth

- Oromocto has experienced fluctuations in population over the past 10 years. While census data shows slight population decline, growth fueled by the COVID-19 pandemic, international immigration, and demand at the Gagetown Base indicates that recent census data has not fully captured the extent of current population growth.
- The Gagetown base currently has a housing waitlist of 240 persons, and Housing Department Officials at the Town of Oromocto are reporting a housing crisis due to a lack of supply.

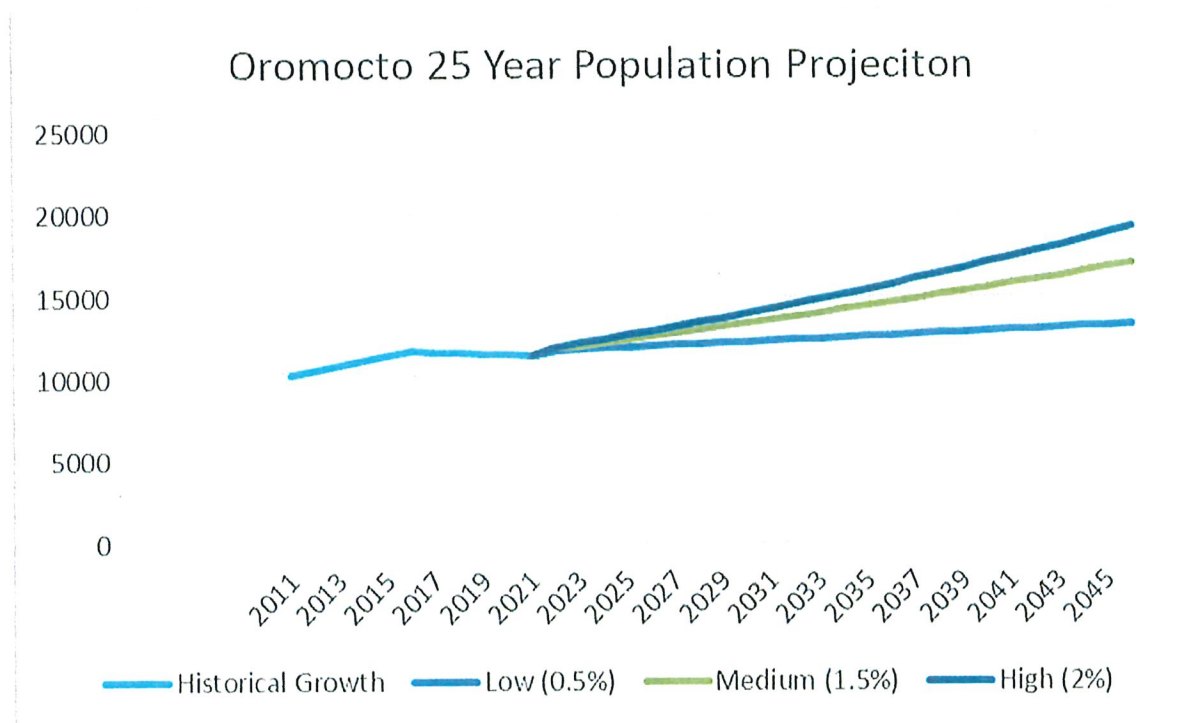


Future Trends

- A mixture of Census data and current housing wait lists were used to develop a projection of population growth over the next 25 years. Using census data involves limitations, as population growth is only captured once every five years. However,

dividing the rate of population growth between census periods by 5 can provide insight into the annual rate of growth.

- According to this method, over the past 20 years, annual population change has taken place between 2.7% and -0.4%. Future population growth can be estimated by providing three possible scenarios: Low Growth (.3%), Medium Growth (1%), and High Growth (1.5%). The most likely scenario is a continued population growth of 1% each year over the next 25 years, which accounts for current and expected high immigration rates.



Scenario 1: Low Growth (.05%)

The low population growth scenario for all members for all members encompasses a growth rate of .03%. This rate of growth would result in 1808 new residents over the next 25 years. Divided by 2.7, being the average number of persons per household, this growth would require 723 new housing units by 2046, or 29 new annual units over the next 25 years.

Scenario 2: Medium Growth (1.5%)

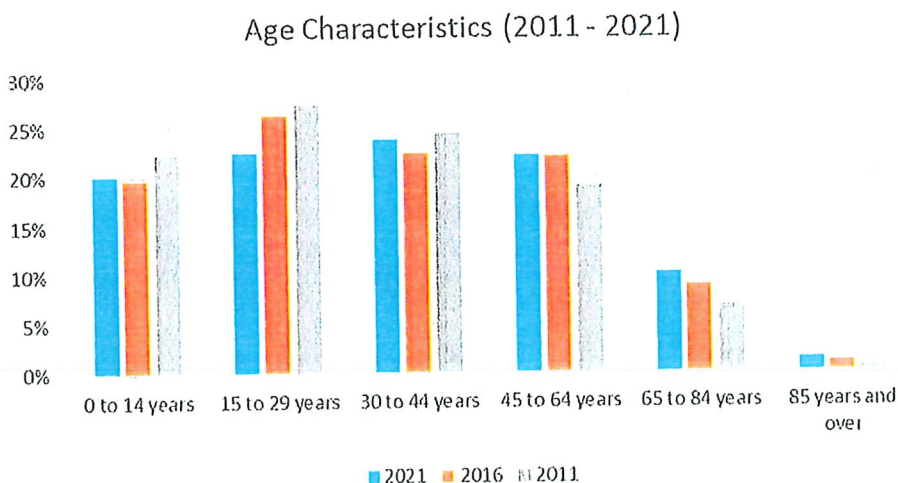
The medium growth rate projected for Oromocto is 1.5%, and if continued over the next 25 years will result in 5535 new residents over the next 25 years. This level of growth would require 2,214 new housing units over the next 25 years, or 89 new units per year.

Scenario 3: High Growth (2%)

The high population growth scenario involves annual population growth of 2%. Between 2023 and 2046, this scenario would result in approximately 7748 new residents over the next 25 years. This level of growth would require 3099 new housing units over the next 25 years, or 124 new units per year.

Age Characteristics

- From 2006 to 2021, the population of younger age groups has decreased, and there have been increases in the share of residents ages 65 to 84 years, as well as 85 years and over. This trend suggests the need for housing units that are appropriate for all ages and abilities, in addition to housing specifically geared to seniors.
- The decline in age groups from 0 to 14 indicates that residents are having fewer children, which may suggest a need for smaller, semi-attached, or apartment style units.
- The decline in residents aged 15 - 29 suggests that housing units may not be available for young adults.

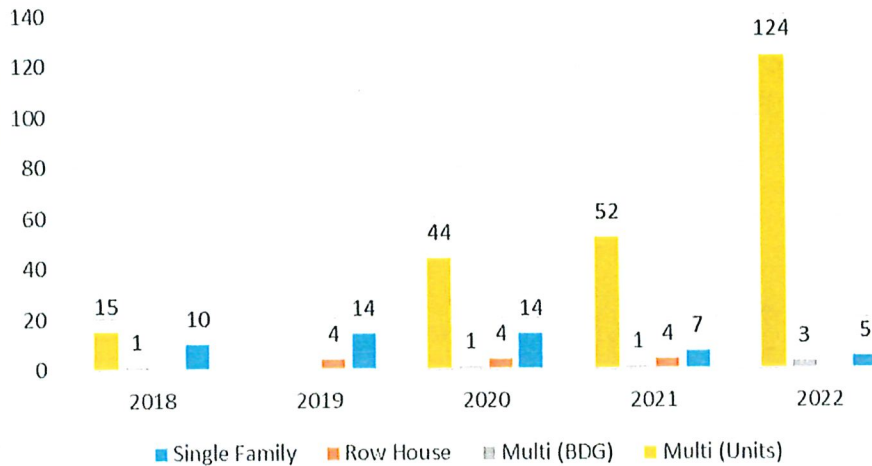


Housing Stock

- There are currently 4735 housing units in the Town of Oromocto.
- Excluding units in apartment buildings, the average number of units permitted in the Town of Oromocto between 2018 and 2022 is 14. Including multi-unit developments, this figure rises to 61.
- The majority of units permitted are within multi-unit / apartment buildings, and the Town permits an average of 10 single detached units per year.

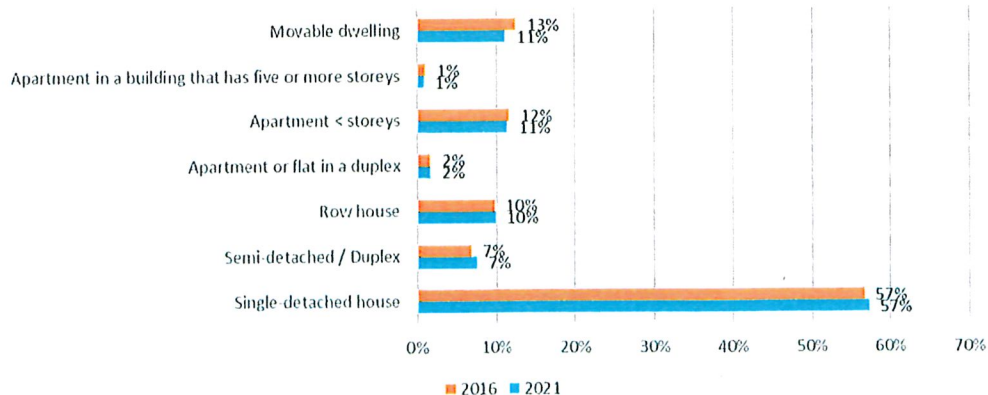
- At Gagetown, there is a waitlist of 250 people and an occupancy rate of 92%, with 8% of units under renovation, equaling a zero-vacancy rate. Officials state that the housing crisis is affecting Oromocto and creating development and administrative pressure to the site.

Development Permitting (2018 - 2022)

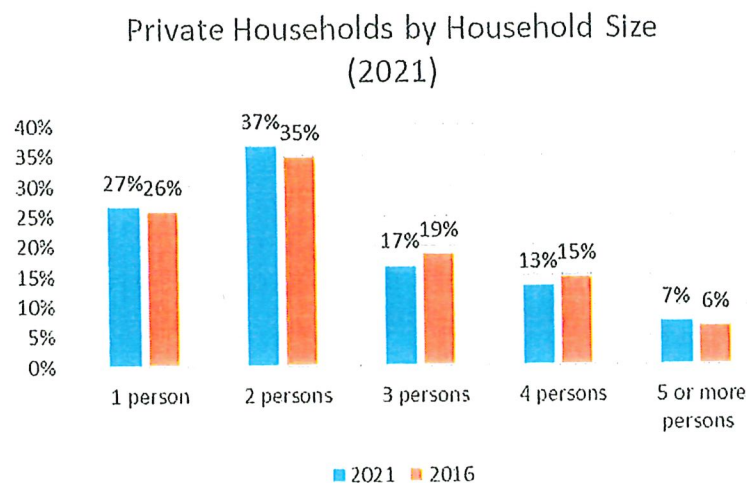


- 57% of homes in Oromocto are single detached dwellings. There was a slight decline in the share of apartment units by 1% between 2016 and 2021, and the share of both row-houses and duplexes/semi-detached dwellings remained constant.
- While Oromocto has a higher proportion of apartments, row houses, and duplexes than other more suburban communities, the percentage of these units as part of the Town's housing stock has not changed.

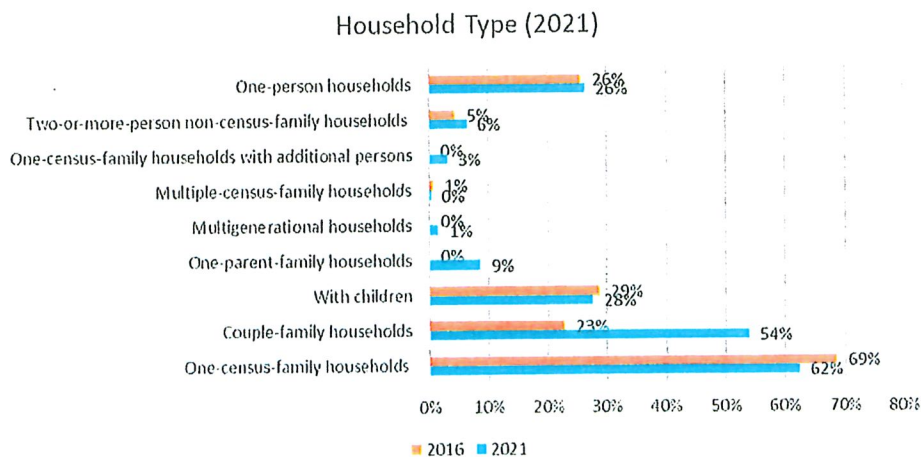
Dwelling Types (2016 - 2021)



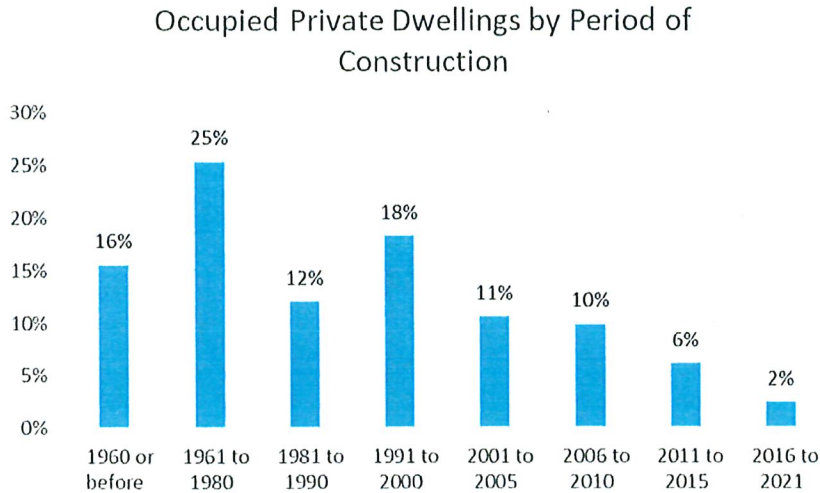
- The percentage of one and two-person households is increasing, while the percentage of 4-person households decreased over 2016-2021. The share of one person and two-person households increased by 2% and 1% respectively. The increase in households with over 5 persons indicates that over-crowding may be present.
- The shrinking household size further indicates a shift to alternative forms of housing to the single-detached home.



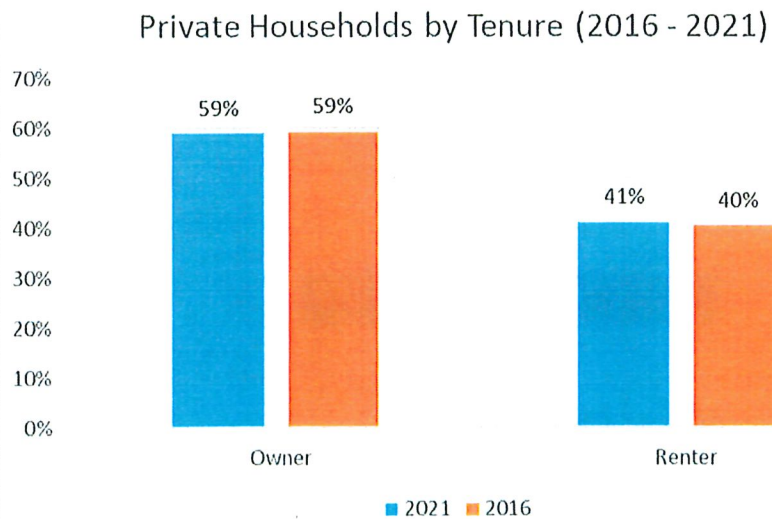
- Between the 2016 and 2021 census, there was a slight (1%) increase in multigenerational households, and households with families as well as additional persons. This trend may point to a lack of housing options for residents of different ages, including seniors.
- Between 2016 and 2021, there was a 2% decrease in households with children, further indicating a trend towards smaller and alternative housing.



- The housing stock in the Town is aging. 53% of the housing stock was built before 1990, and the share of households built in recent census periods suggests that the amount and age of housing is not suitable for future population growth.

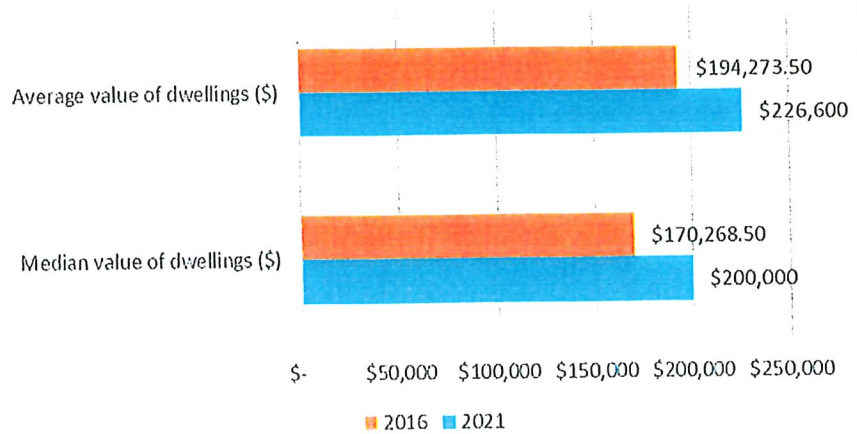


- There was a slight increase in the number of renters (1%) between 2016 and 2021, indicating a shift in housing needs and preferences.



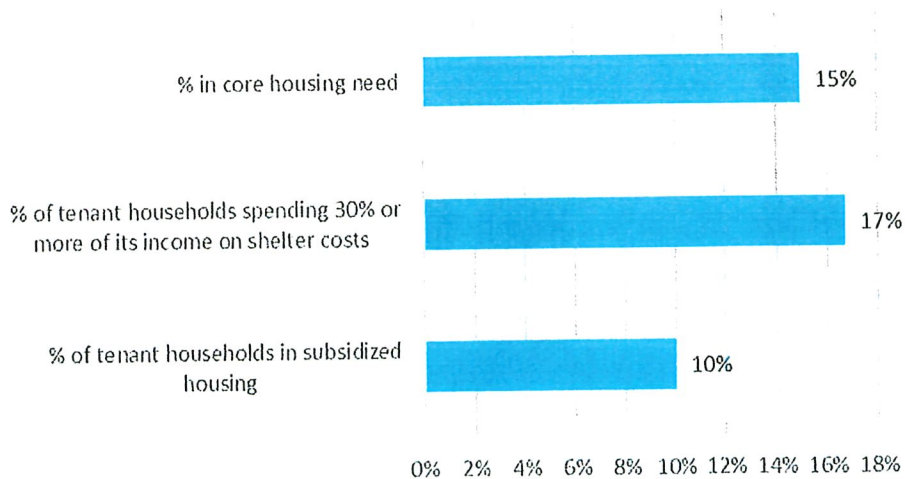
- Both the average and median value of dwellings in Oromocto increased during the last census period. Rising housing costs stem from multiple causes, including population growth, tightening housing market, higher building costs, and a diminishing housing supply.
- The average dwelling cost increased by over \$32 thousand, and the median dwelling cost increased by over \$29 thousand.

Value of Dwellings (2016 - 2021)



- According to the 2021 census, 15% of renters are in what is considered "core housing need," and 17% of renters spend more than 30% of their income on shelter costs. A household is in core housing need if it meets two criteria: (1) below adequacy, suitability, or affordability standards, and (2) the households must spend 30% of before-tax household income to access local housing to meet these standards.

Housing Indicators for Renters (2021)



Gaps

Using the three population growth scenarios allows a prediction of potential housing gaps. According to permitting data, the municipality has been processing an average of 61 new units annually between 2018 and 2022. This average was projected each year over the next 25 years to determine if current permitting and development trends can meet future housing demand. Current housing development patterns can support a growth rate of 0.5% (Low Growth). Medium (1.5%) and High (2%) Growth Scenarios are beyond the Town's current permitting and development capacity.

The table below contains a breakdown of each growth scenario and corresponding housing gap. The table contains:

- **Projected Total Population:** Results of the population projection for each scenario, focusing on the years 2023, 2036 and 2046.
- **Projected New Residents:** The difference between the projected population in each sample year and the Town's population in 2021 according to Statistics Canada (11,490).
- **New Housing Units Required:** The projected new residents divided by the average number of persons per housing unit (2.5%) according to the 2021 Census.
- **Housing Units:** The projected future housing units that the Town is expected to develop based on the average number of units permitted between 2012 and 2022 (61). This number accounts for single detached dwellings, two units, and multi-unit developments permitted over this time period.
- **Housing Gap:** The difference between the New Housing Units Required, and the Projected Housing Units (based on permitting trends).

Under Scenario 2 (Medium Growth), the Town likely has a current gap between required and developed housing units during the year 2023 of 118 units. By 2036, this gap will grow to 357 housing units, if the Town does not increase its development and permitting capacity. This gap will nearly double by 2046 to 689 housing units if current permitting and development trends persist over 25 years.

This gap can be closed through the planning, permitting and development of a mixture of housing types, including single detached dwellings, row houses, apartments, and moveable dwellings.

GAPS ANALYSIS		YEAR		
		2023	2036	2046
Low Growth (0.5%)	Projected Total Population	11856	12651	13298
	Projected New Residents	366	1161	1808
	Projected Units Needed (2.5 persons per unit)	147	464	723
	Units (based on permitting trends)	122	915	1525
	Gap	25	-451	-802
	Units Needed Per Year		31	29
Medium Growth (1.5%)	Projected Total Population	12091	14670	17025
	Projected New Residents	601	3180	5535
	Projected Units Needed (2.5 persons per unit)	240	1272	2214
	Units (based on permitting trends)	122	915	1525
	Gap	118	357	689
	Units Needed Per Year	118	85	89
High Growth (2%)	Projected Total Population	12199.6	15781	19238
	Projected New Residents	709.6	4291	7748
	Projected Units Needed (2.5 persons per unit)	284	1717	3099

	Units (based on permitting trends)	122	915	1525
	Gap	162	802	1574
	Units Needed Per Year	162	114	124

Housing Accelerator Fund Calculator

While the population projection assesses population growth and housing need over a 25-year horizon, the HAF requires a projected number of units over the next three years. By examining permitting data and engaging with municipal staff, the annual number of units that can be permitted each year without HAF support is 71. Over a three-year period, this would equate to 213 units. The initiatives outlined in the Action Plan would support a net increase of 155 units (368 gross).

The calculator tool was used to determine the number of units that are projected with and without the support of HAF. The annual growth rate of units over a three-year period is 2.59%, therefore exceeding the minimum unit growth rate of 1.1%. The annual growth rate percentage change over three years is 72.77%, exceeding the minimum percentage change of 10%.

Housing Supply Growth Target Calculations

Current Dwellings/Housing Stock	4735
Total number of permitted units projected without HAF	213
Housing Supply Growth Target (Total number of permitted housing units projected with HAF)	368
	Calculate
Annual growth rate (must be higher than 1.1%)	2.59%
Annual growth rate percentage change (must be higher than 10%)	72.77%