Town of Sussex Housing Needs Assessment

The purpose of the Town of Sussex (Sussex) 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 Small/Rural/Indigenous/North 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 Province of New Brunswick completed the initial phase of local governance reform on January 1, 2023. Due to the shift in municipal boundaries associated with Local Governance Reform, the demographic information in this section was retrieved from Environics Analytics, a firm that provides comprehensive demographics variables that are available for standard geographies or custom areas. The custom areas feature allows for the assessment of demographic information for Town by clipping spatial statistical data to the new boundary in order to estimate and compare numbers between the former Town of Sussex, the former Village of Sussex Corner, and the portion of the former Local Service District of Sussex.

Assumptions

In determining current and future housing needs, it was assumed that one household was needed for every 2.1 residents, based on the average household size in 2022 according to Environics Analytics. Further, Sussex's future permitting was determined by finding the average number of units permitted each year between 2018 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.

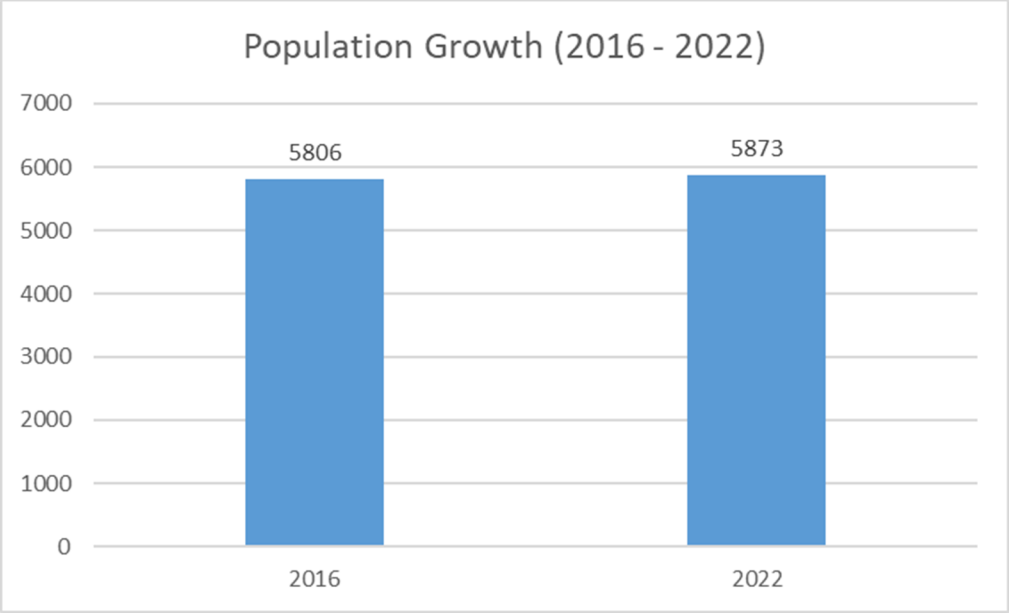
Data that supports projections that take birth rates and immigration numbers into account are available for Census Metropolitan Areas (CMAs).

Timeline & Community Engagement

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

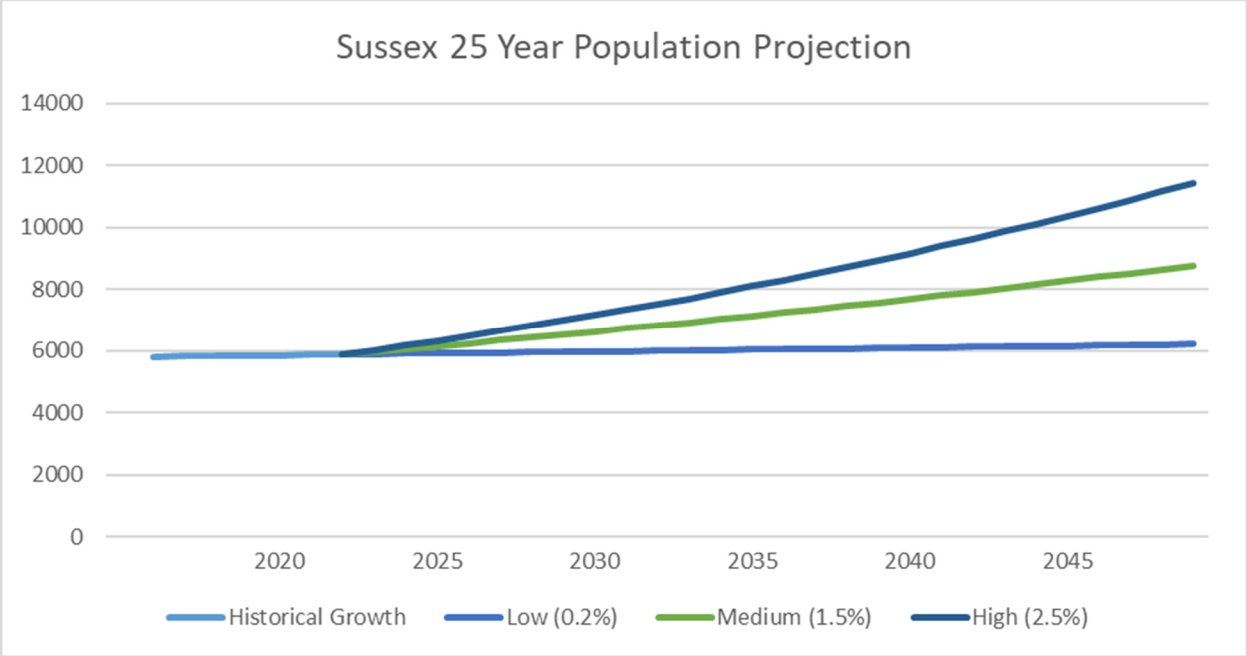
Population Growth

The population of Sussex grew by 67 people between 2016 and 2022, or by 1%. This growth equates to roughly an annual growth rate of between .8%. It is likely that current statistical sources, including both Statistics Canada and Environics, do not fully capture the growth that took place between 2020 and 2022.



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 six years, annual population change has taken place at .02%. However, recent census data has not captured growth that has taken place over 2021 and 2022, with anecdotal evidence from municipal staff indicating that growth is much higher. This information from staff, in addition to trends taking place throughout the region, was taken into account when forming population growth scenarios.
- Future population growth can be estimated by providing three possible scenarios: Low Growth (.2%), Medium Growth (1.5%), and High Growth (2.5%). The most likely scenario is a continued population growth of 1.5% each year over the next 25 years, which accounts for evidence from municipal staff, as well as regional trends associated with current and expected high immigration rates.



Scenario 1: Low Growth (.02%)

The low population growth scenario for all members for all members encompasses a growth rate of .02%. This rate of growth would result in 301 new residents over the next 25 years. Divided by 2.6, being the average number of persons per household, this growth would require 116 new housing units by 2047, or 5 new annual units over the next 25 years.

Scenario 2: Medium Growth (1.5%)

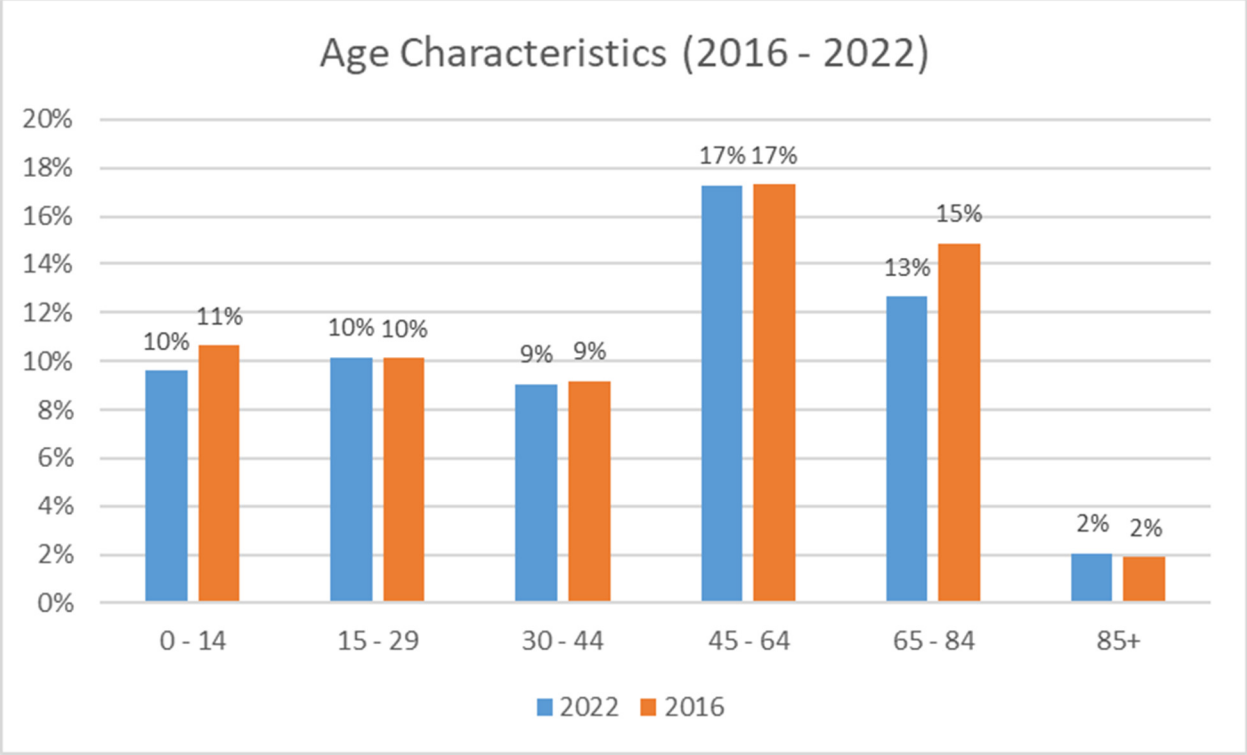
The medium growth rate projected for Sussex is 1.5%, and if continued over the next 25 years will result in 2647 new residents over the next 25 years. This level of growth would require 1018 new housing units over the next 25 years, or 41 new units per year.

Scenario 3: High Growth (2.5%)

The high population growth scenario involves annual population growth of 2.5%. Between 2023 and 2047, this scenario would result in approximately 5009 new residents over the next 25 years, or 77 new units per year.

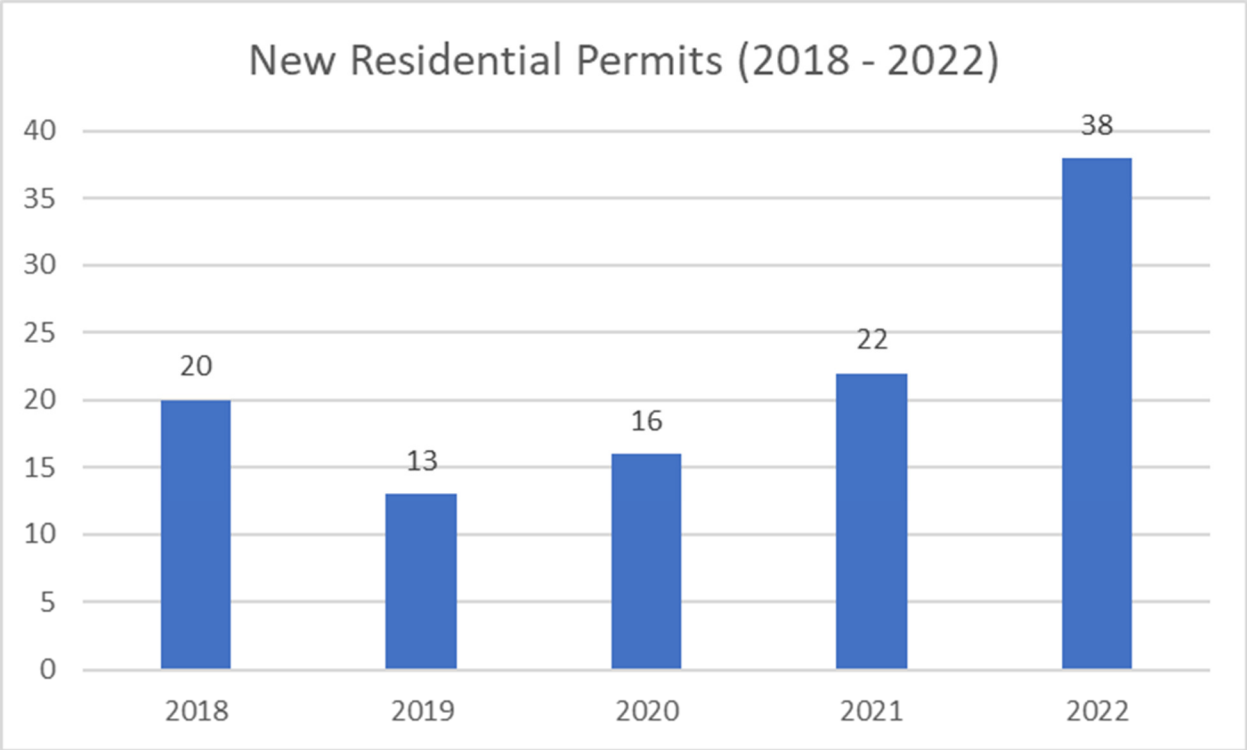
Age Characteristics

Between 2016 and 2022, there were not drastic changes in the age composition of Sussex residents. There were minimal changes in the population of those aged 0 to 14, 15 - 29, or 30 - 44. There was however a decrease of 1% in the percentage of those aged 0 to 14. The largest change was a 2% decrease in the population aged between 65 and 84.

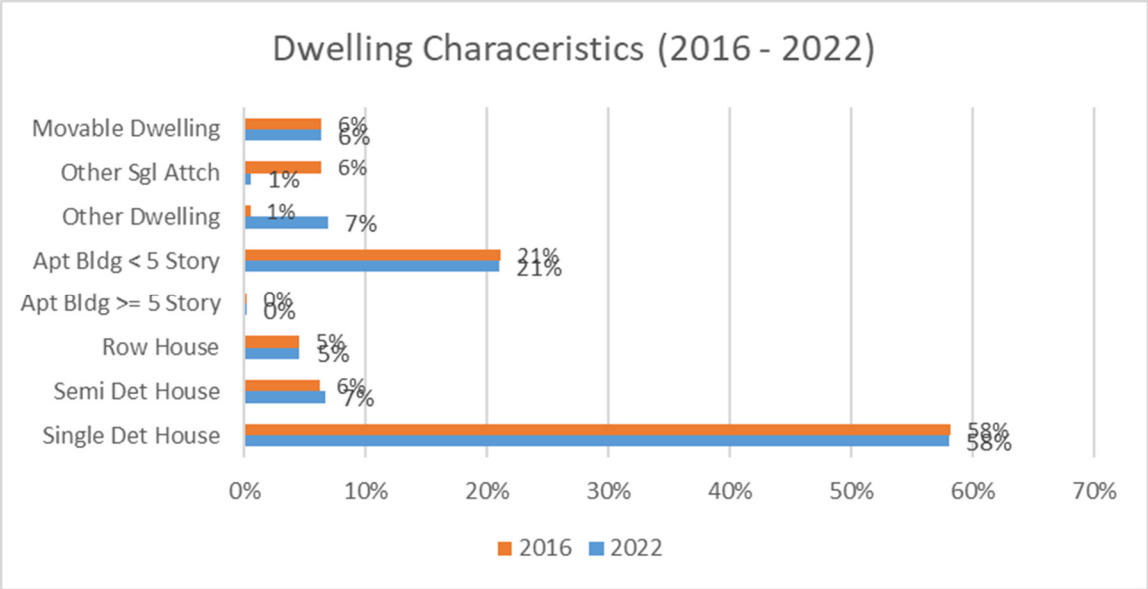


Housing Stock

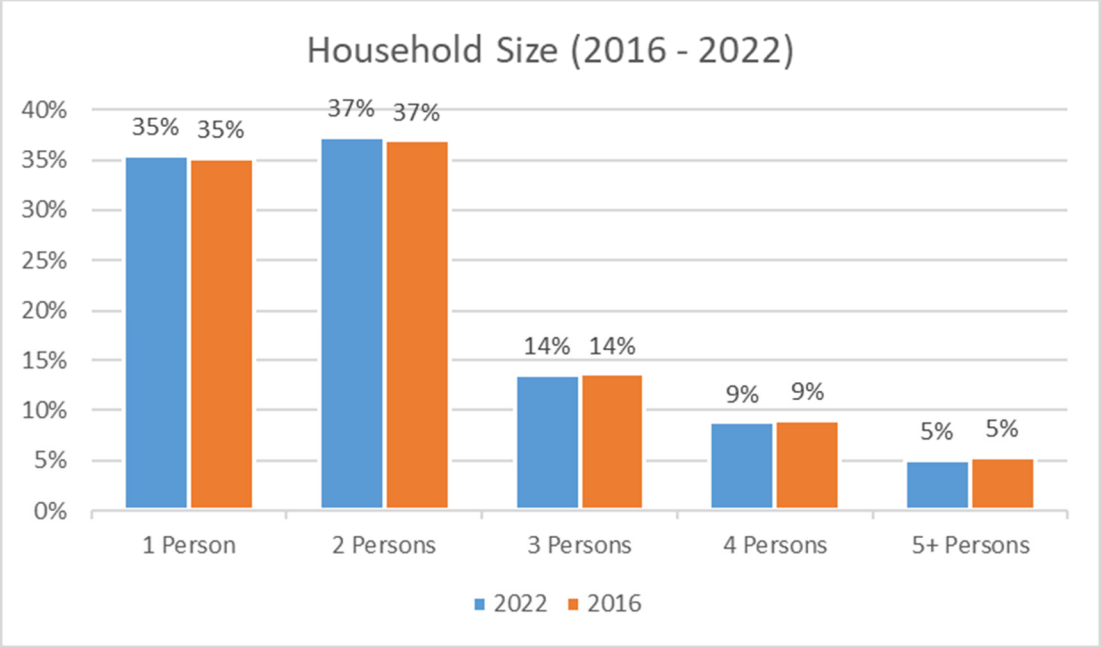
- Sussex has permitted an average of 41 units per year between 2018 and 2022, including single detached dwellings, duplexes, condominiums, and apartment units. These dates were selected because permitting information is available for both Ward 1 and Ward 2 starting in 2018.



As with communities throughout New Brunswick, the majority of housing units in Sussex are single detached dwellings (58%). The next largest percentage of dwelling type is apartment buildings under five stories (21%), followed by semi-detached homes (7%), and moveable dwellings (6%). There were minimal changes between the breakdown of dwelling types between 2016 and 2022.

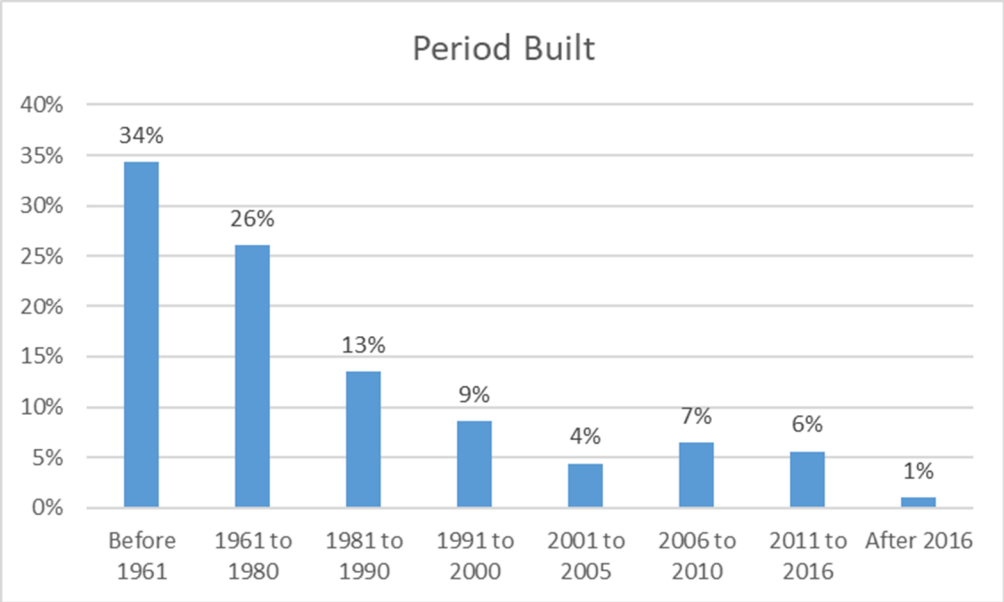


Most households have two persons (37%), followed closely by households with 1 person (35%), and households with 3 persons (16%). This statistics is consistent with trends associated with aging populations and decreasing family sizes, and indicates a shift toward alternative housing types.

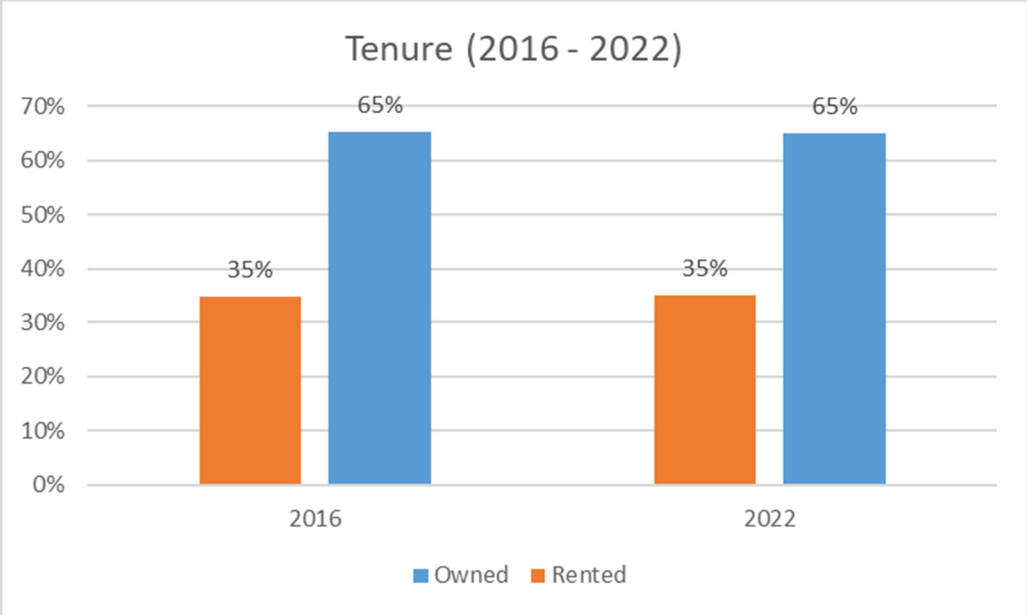


The housing stock in Sussex is aging. The chart below shows that the amount of housing constructed decreases between each census period. Nearly 45% of households were built prior

to 1961, with a combined 60% of households constructed before 1980. Only 7% of the housing stock was built after 2011.



The majority of residents in Sussex are homeowners (65%), with 35% of residents renting their homes. This statistic did not change between 2016 and 2022.



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 21 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 0.2% (Low Growth). Medium (1.5%) and High (2.5%) 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 (5,837).
- **New Housing Units Required:** The projected new residents divided by the average number of persons per housing unit in 2022 (2.1) according to Environics Analytics.
- **Housing Units**: The projected future housing units that the Town is expected to develop based on the average number of units permitted between 2018 and 2022 (21). 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 (High Growth), Sussex has a current gap between required and developed housing units during the year 2023 of 26 units. By 2036, this gap will grow to 250 housing units, if the Town does not increase its development and permitting capacity. This gap will nearly double by 2046 to 525 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 apartments, row houses, duplexes, detached dwellings, and moveable dwellings.

GAPS ANALYSIS		YEAR		
		2023	**2036**	**2046**
Low Growth (0.2%)	Projected Total Population	5897	6052	6174
	Projected New Residents	24	179	301
	Projected Units Needed (2.6 persons per unit)	9	69	116
	Units (based on permitting trends)	42	315	525
	Gap	-33	-246	-409
	Units Needed Per Year	5	5	5
Medium Growth (1.5%)	Projected Total Population	6051	7341	8520
	Projected New Residents	178	1468	2647
	Projected Units Needed (2.6 persons per unit)	68	565	1018
	Units (based on permitting trends)	42	315	525
	Gap	26	250	493
	Units Needed Per Year	34	38	41
High Growth (2.5%)	Projected Total Population	6166.65	8501	10882
	Projected New Residents	293.65	2628	5009

	Projected Units Needed (2.6 persons per unit)	113	1011	1926
	Units (based on permitting trends)	42	315	525
	Gap	71	696	1401
	Units Needed Per Year	71	67	77