CITY OF WATERLOO

Housing Needs Assessment

2025

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THE CITY OF
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Preface

Canada's Housing Plan and Budget 2024 both signaled the Government of Canada's intent to use Housing Needs Assessments (HNAs) as a key tool in its evidence-based long-term approach to addressing housing needs across the country. This includes the renewal of the Canada Community-Building Fund and the previously announced permanent transit funding.

As the federal government strives to become a more informed investor, evidence-based tools that provide a clear assessment of local needs and gaps will be required to inform decision making. HNAs will help all levels of government understand the local housing needs of communities - how they may relate to infrastructure priorities - by providing the data necessary to determine what kind of housing needs to be built and where. The intent is to promote systematic planning of infrastructure that takes into consideration current and future housing needs.

Funding Requirement

Under the Housing Accelerator Fund, the Government of Canada currently requires funding recipients to complete a HNA by year 3 of the program, if one has not already been completed within two years of the 2022 federal budget announcement (April 7, 2022). The City of Waterloo was provided with an extension to complete the HNA by June 30, 2025.

Going forward, HNAs will be required for:

- Communities with a population of 30,000 and over receiving funding through the Canada Community-Building Fund,

- Communities with a population of 30,000 and over receiving funding through permanent transit funding; and,

- Future federal infrastructure funding applicants as required.

Once an HNA has been completed as a federal program requirement, a community will not be required to complete a new one for other Housing, Infrastructure and Communities Canada programs, other than to update it every five years.

Purpose

The HNA will allow a community to answer fundamental questions such as:

- Where does the greatest housing need exist in our community?
- How can we set meaningful housing targets and measure progress to support the right kind of housing for all residents?
- How much housing, which size and at what price point do we need to ensure that all current and future households can live in suitable, adequate and affordable housing?

HNAs will allow all levels of government (federal, provincial/territorial and municipal) to use this evidence base to inform their investments in enabling and supportive infrastructure as well as guide their policy and regulatory decision-making. HNAs as a tool can help communities plan for and build housing more effectively to address the needs of their residents and instill transparency and accountability across the board.

This HNA template has been informed by best practices from jurisdictions across Canada, consultations with experts, and engagements with provinces and territories. These include the City of Vancouver's *Housing Needs Report* and the City of Edmonton's *Affordable Housing Needs Assessment* (for the affordable housing side of needs assessments), as well as the Housing Research Collaborative at the University of British Columbia which brought together a national network of researchers and experts to develop the Housing Assessment Resource Tool (HART). The HART project provides formatted data from Statistics Canada on key housing indices such as core housing need for a wide variety of jurisdictions and geographic levels.

It is noted that the City of Waterloo completed a 'Housing Need and Demand Analysis (December 7, 2020)' which provided analysis of several housing criteria and documents housing within the city.

Based on these best practices, this guidance document includes the following necessary information, explained in more detail below.

- Development and use of Housing Needs Assessments
- Community profiles and trends
- Household profiles and economic characteristics
- Priority groups
- Housing profiles
- Projected housing needs and next steps

Communities completing a HNA as a requirement for federal infrastructure programming will be expected to complete all sections outlined in this template. Communities may use a previously completed HNA if an updated version is available; however, communities would be expected to address any gaps related to any of the sections of the guidance document – both qualitative and quantitative – between their existing HNA and this federal template. Additional details about the timelines for completion and submission of HNAs will be provided with specific infrastructure funding programs (e.g. Canada Community-Building Fund).

While responding to the written questions, please use as much space as required.

1. Methodology

In this section, applicants should outline the research methodology used to inform the completion of the assessment, where the methodology is derived from, any assumptions used, and any necessary justification. While different assessments may incorporate unique methodological elements or considerations depending on context, the following methods should generally be outlined:

- **Quantitative research** such as economic data, population and household forecasts; and,

- **Qualitative research** such as interviews, policy analysis and stakeholder engagement.

Both qualitative and quantitative aspects of this guidance document are equally important.

Communities will be required to engage with key stakeholders in the housing sector, including non-profit housing providers, developers, and public entities, as well as those with specific lived experiences, to develop a comprehensive Housing Needs Assessment (HNA). This section should include what forms of engagement were conducted, with whom, how learnings were incorporated into or informed the HNA's findings, and what engagement opportunities may exist to share findings with the community.

To the extent possible, publicly available data from the following sources will be prepopulated to facilitate automated completion of the quantitative components of the assessments:

1. Statistics Canada Census Data

2. CMHC Housing Market Information Portal

3. Statistics Canada Housing Statistics Dashboard

4. CMHC Demographic Projections: Housing Market Insights, June 2022

5. CMHC Proximity Measures Database

6. Housing Assessment Resource Tool Dashboard

7. Canadian Housing Evidence Collaborative – Housing Intelligence Platform

In addition to this data, communities are required to incorporate internal and non-public facing, non-confidential data, into their HNAs in order to more fully capture local contexts and realities as needed.

If this data is unavailable at the time of completion of the first HNA, communities are expected to collect these data points for future iterations. Other fields will be pre-populated. Fields marked with an asterisk (*) indicate data points which are unavailable from the source or suppressed due to low counts.

Please provide data from the latest census except where otherwise indicated.

- ***Please provide an overview of the methodology and assumptions used to develop this Housing Needs Assessment, using the guidelines above. This should include both quantitative and qualitative methods. Please also identify the publicly available data sources used to complete this assessment beyond the sources listed above, if applicable.***

Where applicable, this HNA will consider the analysis and directions provided through the previous report completed by the city titled 'Housing Need and Demand Analysis (December 7, 2020)'.

Quantitative Methodology

The HNA is premised on a systematic and qualified analysis of housing needs within the city and considers the co-relationship between housing supply and the need for housing.

The HNA will assist all levels of government to better understand the city housing needs and the relationship with planning policies and infrastructure priorities. The HNA will help guide the form of housing needed, where the housing should be prioritized focused and define what is needed to guide and support future housing decisions.

Community Profile and Trends

For **Community Profile and Trends,** the HNA will define through an analysis of the factors influencing housing demand, including an overview of population trends and characteristics. This profile will identify demographic trends.

The characteristics analyzed will include:

- *Population trends* - population growth, age trends, mobility.

- *Demographic information* - immigration trends, indigenous identity and other identified trends.

Household Profiles and Economic Characteristics

For **Household Profile and Economic Characteristics,** the HNA will define factors that influence housing demand including an overview of household trends and affordability based on household income profiles and the economic profile for labour force within the city.

The characteristics analyzed will include:

1 *Household Characteristics* - tenure, size, composition and primary household maintainers.

2 *Household Incomes* - average incomes and income decile.

3 *Economic Characteristics - labour market trends, industries of employment and community pattern.*

4 *Housing Affordability Indicators – shelter to income ratio and core housing need.*

Priority Populations

For **Priority Populations,** the HNA will define the influencing factors for based upon population groups defined by CMHC.

It is noted that priority populations may not be included within the Statistics Canada community profiles. It is our belief that trends impacting priority populations is critical in determining the need for different types of support for those needs within the city. Census data does not disaggregate core housing need data for all priority populations which may include veterans, individuals who identify as LGBQ2S+, survivors of domestic violence and individuals experiencing homelessness.

The characteristics analyzed will include:

1. Housing affordability indicators for priority population groups.

2. Incidence and severity of homelessness within the city, including temporary and emergency relief resources available for those experiencing homelessness within the city.

3. Housing needs for other priority population groups.

Housing Profile

For **Housing Profile,** the HNA will define the factors influencing housing supply, including the characteristics of the existing housing stock, new dwellings, and housing market trends. The HNA will undertake an analysis of comparing housing supply with housing demand to assist with defining the housing need for the city.

The characteristics analyzed will include:

– Non-market Housing (Supportive, transition and emergency).

– New Residential Dwellings (housing starts and completions, demolitions and planning applications).

– Market Housing Supply (ownership and rental prices, vacancy rates and short-term rentals).

– Affordability (owner and rental households, comparing household incomes to existing market conditions).

Sources of Information

Most data utilized within the HNA is from Statistics Canada Census Population and from Canada Mortgage and Housing Corporation (CMHC) to develop a social-economic profile for the city. From CMHC, the Rental Market Survey, Housing Starts and Completions Survey and Market Absorption Survey have been utilized in the formation of the HNA.

Additional data to help define the local market have been provided by the Region of Waterloo, the City of Waterloo, Cornerstone Association of Realtors (CAR), Canadian Real Estate Association (CREA) and other housing partners.

Qualitative data has been provided through consultations undertaken by Tim Welch Consulting Inc. on behalf of the city specifically to support HNA.

Data Limitations

The data sources for information are reliable and appropriate for utilization within the HNA. It is acknowledged that there may be limitations due to the number of households being sourced is small and given the practice of data suppression which typically impact variables involving income, while 'random rounding' may impact variables with low totals. It is our understanding that Census values including totals, are 'randomly rounded either up or down to a multiple of '5' or '10' by Statistics Canada. This approach to small totals can have an impact on the analysis. Where this occurs, the HNA would identify where applicable.

COVID-19 Pandemic Impacts

The 2021 Census of Population was tabulated utilizing data that was undertaken during a world-wide health pandemic (COVID-19) where public health measures were implemented. The Federal Government of Canada introduced COVID-19 income relief programs including the Canada Emergency Response Benefit (CERB) in 2020 and which ended on September 26, 2020 (last day to apply was December 2, 2020). The CERB supported financial support for the year 2020 and was reported on for the year 2021 Statistics Canada Census. While incomes were reported accurately, this most likely would not be permanent and available to households in the future.

Our Approach

2025 City of Waterloo Housing Needs Assessment

The 2025 City of Waterloo Housing Needs Assessment (HNA) appropriately addresses the requirements as outlined within this template. The Canada Community- Building Fund and the Housing Accelerator Fund, will provide guidance to future housing decisions and a useful tool to others.

In addition, given the significant amount of historical and technical information, the HNA includes additional tables and charts to illustrate information and to establish a benchmark of information for future HNAs and support other housing-initiated

evaluations that may be undertaken in the future, and for general knowledge. Where applicable, observations have been highlighted and, in conclusion, Key Takeaways have been identified.

1.2 *Please provide an overview of the methodology and assumptions used to engage with stakeholder groups, e.g. non-profit housing organizations, in the development of this Housing Needs Assessment. This should include qualitative and quantitative methods. Please provide a description of who was engaged, the type of engagement that took place, and the nature of the engagement (e.g. interviews, consultations)*

This report has been informed by key stakeholder interviews that provide qualitative information on local housing needs. The interviews were conducted online with individual stakeholders, and the questions revolved around the following themes:

- Local housing challenges and factors
- Accommodating community needs (housing types and support)
- Review of municipal policies, procedures, and relationships
- Best practices
- Current stakeholder role and future opportunities

A list of consulted stakeholders is included below:

Build Urban

Build Urban is a collective of 14 urban developers who, through their projects, play a significant role in shaping the future urban landscape of Waterloo Region, as well as its economic prosperity. With expertise ranging from residential, commercial and institutional development, their members are committed to creating inclusive, healthy, sustainable and vibrant communities.

Their goal is to create a two-way communication channel and build partnership opportunities between urban development stakeholders and all levels of government by offering technical expertise to government committees and presenting constructive and innovative perspectives.

The Central Ontario Co-operative Housing Federation

COCHF is a federation of non-profit housing co-operatives in the cities of Waterloo, Kitchener, Cambridge, Brantford and Guelph. The federation currently has 42 member organizations that represent roughly 3,000 units of member controlled co-operative housing in the five cities of Waterloo, Kitchener, Cambridge, Brantford and Guelph.

Their purpose is to provide a means for co-ops to network with each other and offer sector resources and tools to support their member organizations. COCHF members include seven co-operative housing sites in the City of Waterloo, one of which is a student housing co-operative.

Places4Students

Places4Students (P4S) provides an online platform for off-campus student housing options. They partner with post-secondary institutions, including Conestoga College, Wilfrid Laurier University and the University of Waterloo, to aid students in their housing search. This involves verifying all rental listings to be in compliance with the City of Waterloo's Rental housing licensing by-law. P4S works with local landlords and accommodation providers to post available rental options. Additionally, P4S provides live customer service assistance, housing resources, templates for lease and rental agreements, and blog posts.

Region of Waterloo Housing Services

Waterloo Region Housing (WRH) is the service manager for housing and homelessness in the Region, which comprises of the City of Waterloo and six other municipalities. From the range of housing affordability, WRH focuses on community housing and affordable rental housing part of the housing continuum. Some of their work includes:

- Funding and providing housing services directly or through community partners.

- Managing wait lists for affordable housing, including housing with supports.

- Overseeing landlords and housing providers.

- Owning and operating over 2,700 community housing units.

- Creating new affordable housing with partners.

- Creating incentives and policies that encourage a broad range of housing.

- Assisting private and non-profits to build affordable housing

- Maintaining housing data and responding to data requests

- Maintaining and operating existing stock and divestment opportunities

WRH is working on their Revitalization Plan, through which they are redeveloping six WRH sites to create at least 600 net new units.

Through the Parking Reductions for Affordable Housing initiative, WRH is working at reducing parking requirements for affordable housing to help facilitate the development of affordable housing in the Region.

Supportive Housing of Waterloo (SHOW)

SHOW provides long-term supportive housing for those who have experienced homelessness. They have three sites in Waterloo, including a site that provides housing geared to low-income older adults. SHOW works in partnership with several local agencies to create new housing initiatives that serve those in the community who are most in need, such as individuals who struggle with homelessness, addiction, mental health and physical health issues.

SHOW offers 24/7 wrap-around support to residents and emphasizes a model that integrates affordable housing with programs, services and supports to help create a sense of safety and belonging for their residents.

A summary of the Meeting Notes is included within ANNEX C.

1.3 *Please provide an overview of the methodology and assumptions used to conduct engagement with the priority groups (identified in Section 4) in the development of this Housing Needs Assessment. This should include qualitative and quantitative methods. Please provide a description of who was engaged, the type of engagement that took place, and the nature of the engagement (e.g. interviews, consultations). If a private individual has been engaged, please anonymize and remove any identifying features from the narrative.*

For the purpose of this Housing Needs Assessment, non-profit, private and government organizations who work directly with priority groups were consulted. These priority populations include post-secondary students, new immigrants, people experiencing homelessness, addiction, mental health and physical health issues, and older adults.

The type and methodology of engagement is detailed in Section 1.2.

2. *Community Profile and Trends*

In this section, communities are expected to tell their housing story through the lenses of their community and household profiles using both qualitative and quantitative data. Communities may structure this information in different ways, including by providing past benchmarks, present figures, future projections, and current growth rates at a local, regional and provincial level.

2.1 *Please detail the existing municipal housing policy and regulatory context, such as approved housing strategies, action plans and policies within Official Community Plans.*

Housing within Canada is governed within a framework of legislation, policies, programs and incentives. This section provides an overview of the planning and housing policies at the Federal, Provincial, Regional and City level that help guide residential development within the City of Waterloo.

This section outlines a high-level review of the following legislation, policies, and strategies as they relate to housing at various levels of jurisdiction.

Federal Legislation, Policy, and Strategies

National Housing Act, 1985

The National Housing Act (NHA) is the principal legislation concerning housing in Canada. Its purpose is to facilitate access to housing finance and low-cost funding to promote new housing construction, the modernization of existing housing stock, the

improvement of housing conditions, and the overall wellbeing of the housing sector within the Canadian economy. The NHA is administered by CMHC and authorizes the Corporation to: administer mortgage loan insurance and guarantees, provide loans, subsidies, and guarantees for rental and student housing projects, undertake social housing projects with the Provinces, assemble and lease lands for residential development and the establishment of new communities, provide loans and funds for housing repairs and rehabilitation, and support housing research, community planning, and international support, among other priorities.

National Housing Strategy, 2017

Released in 2017, the National Housing Strategy (NHS) aims to ensure all Canadians have access to housing that is affordable and meets their needs. The NHS focuses on creating new housing supply, modernizing existing housing, and providing resources for community housing providers, housing innovation, and research. Funding programs administered under the NHS have changed over time.

Solving Canada's Housing Crisis: Canada's Housing Plan, 2024

In April 2024, the Government of Canada released Solving the Housing Crisis – Canada's Housing Plan (the Plan). The Plan has three key target areas: building more 11 homes, making it easier to rent or own a home, and helping Canadians who can't afford a home.

In tandem with Budget 2024, the Plan earmarks funds for several new and existing funding programs. This includes expanded funds for the Housing Accelerator Fund for partnerships with additional municipalities, a major intention of which is to streamline permitting and promote new 'missing middle' and affordable housing. The Plan also introduced the new Canada Housing Infrastructure Fund, which aims to accelerate construction of critical housing infrastructure, and the Infrastructure for Housing Initiative, a financing tool for municipalities and Indigenous communities through the Canada Infrastructure Bank. The Plan further calls for the expansion or creation of funds for the development and preservation of affordable and non-profit housing (e.g. the Affordable Housing Funds, Rental Protection Fund, etc.) and homelessness prevention (e.g. Reaching Home, Interim Housing Assistance Program, etc.).

Many of the Plan's commitments are intended to be implemented in coordination with, and supported by, provincial, territorial, and local governments. Examples that may particularly impact municipalities include targeted funds towards the development of housing above shops and businesses, making use of publicly owned land for affordable and deeply affordable housing, updating the National Building Code to support more accessible, affordable, and climate-friendly housing, tying public transit funds to increased density, and providing a short-term rental enforcement fund.

The Plan further recommends commitments that provinces, territories, and municipalities can make to complement this Plan. These include incentives for the construction of purpose-built rental housing, limiting or waiving planning and development-related fees and charges, undertaking municipal zoning reforms to support densification and transit-oriented development, implementing stronger vacancy control,

developing a framework to avoid bad faith renovictions and excessive rent increases, supporting non-market and community housing, expediting approvals and permitting processes, and enforcing regulations on short-term rentals.

Provincial Legislation, Policy, and Strategies

The Planning Act, 1990 as amended, is the provincial legislative framework for land use planning within Ontario and establishes the authority of municipalities to regulate different uses of land and ensure that matters of provincial interest are appropriately considered by planning decisions. The Planning Act requires municipalities to adopt an official plan and establishes restrictions on the kinds and nature of policies that may be contained therein. It also authorizes municipalities to adopt zoning by-laws, among other forms of land use regulation, to implement the policies and objectives of their official plans and establishes timelines by which planning authorities must issue decisions regarding requested amendments to Official Plans and zoning by-laws. The Planning Act provides legislative guidance to the submission, review and decision for municipalities (staff and council), the public and for private investment when implementing the public policy framework. The legislation outlines an appeal mechanism where there is disagreement with the decision.

Provincial Planning Statement, 2024

On October 20, 2024, the new Provincial Planning Statement, 2024 (PPS, 2024) came into effect and replaced the former Provincial Policy Statement, 2020 (PPS, 2020) and A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019. The new PPS 2024 is intended to be a streamlined, province- wide land use planning policy framework that builds upon the 'housing-supportive' policies of the former documents. The PPS, 2024 outlines the Province's policies on land use planning and is issued under Section 3 of the Planning Act. It provides policy direction on land use planning to promote 'strong, 13 healthy communities' and requires all local decisions affecting land use planning matters to be consistent with the PPS, 2024.

Municipal Act, 2001

The Municipal Act 2001 sets out the rules for all municipalities in Ontario (except for the City of Toronto, which is governed by the City of Toronto Act, 2006) and gives municipalities broad powers to pass by-laws on matters such as health, safety, and wellbeing, and protect persons and property within their jurisdiction. The Act provides direction for land use planning purposes, but it does not directly legislate municipal official plans or zoning by-laws as these are governed by the Planning Act.

Section 163 of the Act sets out the definition and requirements for group homes within municipalities in Ontario. The Act defines group homes as "a residence licensed or funded under a federal or provincial statute for the accommodation of three to ten persons, exclusive of staff, living under supervision in a single housekeeping unit and who, by reason of their emotional, mental, social or physical condition or legal status, require a group living arrangement for their wellbeing."

The Act allows municipalities to enact business licensing by-laws for group homes if they permit the establishment and use of group homes under section 34 of the Planning Act. A business licensing by-law for group homes can require a license and impose licensing fees as conditions for establishing a group home.

Section 99.1 of the Act allows municipalities to prohibit and regulate the demolition of residential rental property and the conversion of residential rental property to an alternative purpose. However, this authority does not apply to residential rental property that contains fewer than six dwelling units. The More Homes Built Faster Act, 2022 empowers the Minister to make new regulations regarding the powers of municipalities to regulate demolition and conversion of residential rental properties.

Housing Services Act, 2011

The Housing Services Act is the legislative framework for the delivery of social housing and homelessness services in Ontario. The Act sets out requirements and regulations for service managers and housing providers concerning housing and homelessness plans and the administration of housing projects under legacy federal-provincial housing programs. It also regulates the activities of the Social Housing Services Corporation, which oversees the operation and financial management of social housing providers, including the pooling of capital reserves for investment purposes.

Development Charges Act, 1997

The Development Charges Act, 1997 regulates municipal authority to levy development charges, which are fees collected by municipalities to finance the capital costs of new infrastructure to accommodate residential growth such as roads and servicing infrastructure. Municipalities must complete a development charge background study and conduct statutory consultation before passing a development charge by-law.

More Homes, More Choice: Ontario's Housing Supply Action Plan, 2019

More Homes, More Choice: Ontario's Housing Supply Action Plan is the Province's plan to address Ontario's housing crisis. The plan does not contain specific actions or housing targets but rather high-level goals concerning "cutting red tape" in the form of reducing planning approval timelines and permitting fees and reforming land use regulation with the objective of permitting a wider range of housing options in different locations.

Recent Changes to Provincial Legislation Impacting Planning and Housing

Bill 108, More Homes, More Choices Act, 2019

This Act removed "soft services", such as parks, community centres, libraries, and other community facilities as eligible services under a development charges by-law and required such services to be financed through a new "community benefits charge" (CBC) regime based on land value post-planning approval. Further, municipalities are now required to prepare and undertake public consultation on a CBC strategy prior to adopting a new CBC by-law.

The CBC regime replaced the former density bonusing provisions under Section 37 of the Planning Act, as well as former requirements and municipal by- laws for parkland dedication.

Bill 134, Affordable Homes and Good Jobs Act, 2023

This Act was introduced in the provincial legislature on September 28, 2023, and received royal assent on December 4, 2023. The bill updated the affordable housing definition within the Development Charges Act, 1997.

Bill 185, Cutting Red Tape to Build More Homes Act, 2024

In June 2024, this Act received royal assent. The new legislation aims to support the provincial government's goal of building 1.5 million homes by 2031.

Some of the changes to the Planning Act that resulted from this legislation included:

1. Introducing a new 'use it-or-lose it' authority for municipalities to lapse unexercised draft plan of subdivision and site plan approvals.

2. Removing the planning application fee refund framework introduced through Bill 109.

3. Exempting public universities from planning approvals.

4. Limiting third-party appeals for approved official plans and zoning by-laws.

5. Removing planning authorities from seven upper-tier municipalities. Noting: that the Region of Waterloo was identified as one of the upper-tier municipalities and this was to be implemented on a date in the future, which became January 1, 2025.

Community Housing Renewal Strategy

In 2019, the Ontario government announced a new Community Housing Renewal Strategy with $1 billion in funding to help sustain, repair, and build community housing and end homelessness. The Strategy includes the following elements:

1. Removing penalties for tenants who work more hours or are completing post-secondary education.

2. Simplifying rent calculations.

3. Freeing up the waitlist by prioritizing tenants' first choice of unit they are offered.

4. Ensuring rent calculations exclude child support payments,

5. Imposing an asset limit for applicants.

6. Making housing safer by empowering housing providers to turn away tenants who have been evicted for criminal activity.

The Province has also launched three programs under the CHRS:

Canada-Ontario Community Housing Initiative (COCHI)

COCHI provides funding to Service Managers to replace the federal Social Housing Agreement funding which expires each year beginning in April 2019.

Ontario Priorities Housing Initiative (OPHI)

OPHI provides flexible funding to all Service Managers and the two Indigenous Program Administrators to address local priorities in the areas of housing supply and affordability, including new affordable rental construction, community housing repair rental assistance, tenant supports, and affordable ownership. Housing providers can dedicate a percentage of spending to support that will keep people housed and prevent homelessness.

Canada-Ontario Housing Benefit (COHB)

COHB program provides a direct, monthly benefit payment to eligible households to help pay their rents. The benefit is portable, which means a household may continue to receive the benefits even when moving to another rental address in Ontario. The program is jointly funded through the 2017 NHS Bilateral Agreement and is provincially delivered.

Regional Policies and Strategies

Note: Effective January 1, 2025, the administration and interpretation of the Region of Waterloo Official Plan is the responsibility of the City of Waterloo. It is further noted that the City is responsible to appropriately 'integrate' the policies of the Regional Official Plan with the City Official Plan.

Region of Waterloo Regional Official Plan (2015)

On June 16, 2009, the Regional Council passed By-law No. 09-025 to adopt a new Official Plan for the Regional Municipality of Waterloo (ROP). The new Regional Official Plan replaced the Region's previous Regional Official Policies Plan, approved in 1995. This Plan represents a fundamental shift in shaping Waterloo Region towards a more balanced community structure, building from a strong, long standing planning policy framework that has supported substantial historical growth and change.

Diversified Housing Stock: Chapter 3 of the ROP outlines policies aimed to improve Livability in Waterloo Region. This includes planning for an appropriate range and mix of housing choices for all income groups (Objective 3.1). These policies are outlined in Section 3.A and aim for the provision of a full and diverse range and mix of permanent housing that is safe, affordable, of adequate size and meets the accessibility requirements of all residents, is important if the region is to maintain and enhance its quality of life. Policy 3.A.2 specifically outlines the requirement for local municipalities to plan to provide an appropriate range of housing in terms of form, tenure, density and affordability to satisfy the various physical, social, economic and personal support needs of current and future residents.

Residential Intensification: Section 2.D outlines Urban Area Development Policies that aim to focus most of the region's future growth. Land within the Urban Area have the greatest capacity to accommodate growth and serve as the primary focus for employment, housing, cultural and recreational opportunities in the region.

Complete Communities: Policies 3.A.8 through 3.A.10 outline the Region's support for community housing and additional needs housing (formerly special needs housing) throughout Waterloo Region. Policy 3.A.10 requires additional needs housing to be permitted within all residential designations throughout local municipalities.

Retention of Existing Housing Stock: Policy 3.A.4 outlines requirements for the replacement of existing rental affordable housing in new developments, including vacancy rate limits (policy 3.A.4.a) Affordable Housing: Policies 3.A.4 through 3.A.7 outline affordable housing policies for the Region. This includes requirements, where appropriate, for some developments to include affordable housing (policy 3.A.4) and the encouragement for municipalities to offer incentives to develop affordable housing locally (policy 3.A.6). Policy 4.C.5 outlines the Region's desire to collaborate with local municipalities and the development industry to plan and build affordable housing.

Region of Waterloo 10-Year Housing and Homelessness Plan (Five Year Review) (2019)

Developed and reviewed with community input, the 10-Year Housing and Homelessness Plan (the Plan) is adapted as needs change in the Region. In this five-year review, the Region outlined five (5) strategic directions:

1. Create more affordable and community housing.

2. Retain and maintain the existing affordable housing stock.

3. Facilitate the development of an appropriate range of housing options.

4. Expand supports people to find and secure housing.

5. Improve access to housing and homelessness programs.

Within these strategies, there are thirty-three (33) actions of the Plan focused on improving housing conditions in the Region.

Region of Waterloo Building Better Futures Plan

The Region of Waterloo's Building Better Futures Plan commits to making housing affordable for all. With the need for affordable housing growing, the Region is dedicated to increasing the number of affordable homes. For the purposes of this plan, housing is affordable when the household spends less than 30 per cent of their income on housing costs. The plan aspires to develop up to 2,500 new homes over the next five years, increasing the affordable housing generated from an average of 50 units per year to 500 units per year.

The plan includes the following elements:

- Lands for Affordable Housing: using land to develop affordable housing.

- Funding and Resources: including a procurement process to provide access to funding and land for developing affordable housing.

- Community Engagement: seeking input and feedback from the community to realize this vision and meet objectives.

- Cross Departmental Staff Support: building the right team to lead the ambitious plan

Region of Waterloo Master Housing Plan (2019)

The Waterloo Region Housing Master Plan maps out the vision for Waterloo Region Housing communities over the next two decades, including the creation of 638 affordable housing units in five communities. 17 The plan looks for ways to create more affordable housing in WRH communities. It was developed between 2017 and 2019 with help from the community.

The plan would:

- Ensure that all WRH buildings are kept in good repair.

- Build 638 units on five WRH properties over 10 years to address the growing waitlist for housing and requests for transfer.

- Outline design guidelines for WRH.

City of Waterloo Policies and Strategies

The City has an approved Official Plan that addresses policy and mapping for the entire city boundaries to implement provincial policies and regulations, regional policies and municipal directions to guide future direction and decisions. To be discussed within this report, there is a discussion related to the adopted but not approved (at the time of this report) comprehensive amendment to the policies that will help guide future housing within the City.

Official Plan (Plan)

The Council for the Regional Municipality of Waterloo approved the City of Waterloo Official Plan, in part, with modifications, on November 21, 2012. The Region's decision was released in a Notice of Decision dated November 30, 2012, and revised though further correspondence dated December 13, 2012 (Correction to Schedule "E" Road Classification System). The Region's decision was subject to a 20-day appeal period under the Planning Act and a total of three appeals were filed to the Ontario Municipal Board (OMB).

The Plan is organized as follows:

Chapter 1 - Introduction

Introducing the main purpose of the Plan, a document intended to guide growth and change in the City of Waterloo within the Provincial and Regional context. This chapter also outlines how to use and interpret the Plan.

The reader must consider the Plan in it is entirety including the mapping and schedules when formulating an opinion. One of the key purposes of the Official Plan is to provide a framework for private implementation and public decisions in the form and shape of the community. The Official Plan is also implemented through many supporting policies and regulations which also should be considered. The Official Plan is a key policy document to help guide housing within the community.

Chapter 2 - Vision, Principles and Basis of the Plan

Describes the vision, principles, trends and other factors which form the foundation for the Plan and have a significant influence on the land use policies and designations of the Plan.

The Plan acknowledges that there is limited supply of vacant land for future urban growth and that the city will grow inward and up through focusing growth including residential to the Uptown Waterloo Urban Growth Centre, Major Transit Station Areas and other designated Nodes and Corridors. The Plan recognizes the importance of Rapid Transit (planned for at the time of the Plan approval) and promoting completed communities.

Chapter 3 - City Form

Provides the framework for shaping the City into a complete community with a strong emphasis on urban design. Policies describe the City structure, including a series of designated Nodes and Corridors, the Uptown Waterloo Urban Growth Centre, Major Transit Station Areas, and Designated Greenfield Areas which will be planned to accommodate a significant share of future growth.

The Plan through Policy 3.1 defines that future urban growth will be focused within the urban boundary and through intensification primarily within Nodes and Corridors, Uptown Waterloo Growth Centre, Major Transit Station Areas, and appropriately within vacant lands including designated greenfield areas. The Plan provides direction for the urban form, at the neighbourhood level, urban design and for the Uptown Waterloo Urban Growth Centre.

The Plan within Policy 3.2 provides for a planning horizon for the year 2029 and a future population of 137,000 people excluding post-secondary students and provide for 88,000 jobs. Noting that the policy framework was premised on residents and jobs per hectare.

The Plan within Policy 3.3 recognizes that given there is diminishing availability of designated greenfield lands that the residential growth would primarily be within the built-up area of the city through the various policy areas.

Note: The various policy areas would include lands located within Nodes and Corridors, Major Transit Station Areas and Uptown Waterloo Urban Growth Centre.

The Plan within Policy 3.4 to 3.8 inclusive together with Schedule B1 - Heigh and Density, Schedule J – Major Transit Station Areas sets out a framework of maximum heights and density for new development within the various policy areas.

The Plan within Policy 3.11 sets out the requirements for new development within the various land use designations to appropriately address urban design as part of community, neighborhood and site design and community building.

Chapters 4 through to 11 and related policies provide municipal direction and requirements related to ensuring a 'complete community' and matters that are supportive of good planning and community building which are also supportive of the provision of housing.

Chapter 4 - Arts, Culture, Heritage, Recreation and Leisure

Provides the policy framework for preserving Waterloo's cultural heritage and providing new opportunities for arts, cultural, heritage, recreation and leisure experiences that support an overall high quality of life.

Chapter 5 - Networks

Defines a series of interconnected networks that support the Waterloo community, including servicing and utilities; parks, trails and open space; road; and rail.

Chapter 6 - Transportation

Describes the transportation system that facilitates the movement and interaction of people and goods between land uses within the City and to external destinations.

Chapter 7- Economy

Provides the framework for a diverse, strong, sustainable economy with a focus on collaboration and creativity. This chapter addresses the need to ensure a long-term supply of employment areas and recognize a focus on technology companies and knowledge industries and institutions.

Chapter 8 - Environment and Energy

Policies provide direction with respect to the protection, management, and stewardship of the environment. This takes the form of maintaining, enhancing and restoring the Natural System and our water resources, ensuring environmental health and safety, supporting the sustainable production and use of energy, improving air quality and reducing contributions to climate change, and encouraging sustainable development practices.

Chapter 9 - Mineral Aggregates

Policies recognize the need to protect Mineral Aggregate Resources Areas for long-term uses, while acknowledging that a large portion of identified Mineral Aggregate Resources Areas are owned by the City of Waterloo and therefore extraction is unlikely over the planning horizon of this Plan.

Chapter 10 - Land Use Designations

Policies and accompanying Schedules indicate the City's intent with regard to existing and future land uses

Chapter 11 - Specific Provision Areas

Policies pertain to specific areas of the City where the application of the land use policy framework of this Plan does not provide sufficient clarity regarding the City's intent for the future use of land. Policies contain additional direction regarding the development of specific areas.

Chapter 12 - Implementation of the Plan

Policies outline the tools and procedures that the City will use to implement the provisions of this Plan and to ensure open and transparent communication and decision making. Policies address public involvement in general.

The city is a strong advocate for a comprehensive and varied public engagement program as part of the implementation of the Plan and associated development applications and policy formation.

The Plan is comprised of detailed policies and provides for associated mapping on Schedules.

Schedule A - Land Use Plan illustrates the land use designations and their relationship. Additional land use details are provided on Schedules A1 to A6d inclusively.

Schedule B - City Structure illustrates the Nodes and Corridors and within Schedules B1 to B4 inclusively provides additional detail related to Height and Density, Uptown Growth Area, Designated Greenfield Areas and Sourcewater Protection Areas.

Schedule C to Schedule I inclusively provides additional mapping related to matters provided within the Plan.

Schedule J – Station Areas and Schedule J1 to J5 inclusively provides the boundaries of the Major Transit Station Areas.

As outlined within the HNA, the Official Plan is approved and provides the policy direction to guide the planning framework for private investment/implementation, public engagement and municipal decisions.

Official Plan Amendment No. 58 - Phase 1 (OPA No. 58)

The City has initiated a review of the approved Official Plan which will be completed in a phased approach. Phase 1 primarily incorporates policy and mapping refinements to the existing City Official Plan to address Provincial, Regional and local planning directions and objectives, as well as to clarify and streamline City Official Plan policies.

In December 2024, the Council adopted Official Plan Amendment No. 58. It is noted that several properties requested and were granted a deferral from the Official Plan

Amendment No. 58 and that further evaluation would be considered for these properties until a decision was to be made.

Official Plan Amendment No. 58 is under review for a decision by the Minister of Municipal Affairs and Housing. The Ministry of Municipal Affairs and Housing has posted the Amendment for comment on the ERO as Number 025-0203 effective June 4, 2025 with a commenting period until July 4, 2025.

Draft of OPA 58:

- Updated policies for consistency with the PPS, 2024 including "designated growth area policies"

- Removed references to "15-minute communities" and combined with "complete communities" as the standard term used throughout the Plan

- Further refinements and updates to the Urban Design section

- Updated policies related to considerations for increasing height and redesignations so that they apply to all proposals for increased height, in any land use designation.

Chapter 6 - Transportation

- The majority of the Chapter will be updated in the next phase

- A subsection of the chapter is included in OPR Phase 1, to facilitate HAF Initiative 8 - re: update to Section 6.6.2 (Cash-in-lieu of Parking) to facilitate the development of affordable housing

Chapter 10 - Land Use Designations Residential designations

- Updated residential designation names, including:

    o "Low Density Residential" to "Low Rise Residential"

    o "Mixed-Use Medium Density" to "Medium Rise Residential"

    o "Mixed-Use Medium High Density" to "Medium High Rise Residential"

    o "Mixed-Use High Density" to "Mixed-Use High Rise Residential"

- Streamlined Additional Residential Unit (ARU) policies to align with the Planning Act; removed detailed/restrictive language. Enables three (3) ARUs as of right, subject to zoning.

- Updated post-secondary residential policies to encourage residential development for students and faculty on or near the main campus • Removed limitations on house conversions, in accordance with Provincial requirements for ARUs • Updated Affordable Housing policies to conform with ROPA 6 and the City's Affordable Housing Strategy

- Low Rise Residential: Minor updates to stacked townhouses (formerly known as terrace dwellings) and low-rise apartment criteria to allow for more flexibility, subject to zoning

- Medium Rise Residential: removal of ancillary use restrictions/caps, deferring such details to zoning

- High Rise Residential: removal of ancillary use restrictions/caps, deferring such details to zoning

- Increase building height in areas designated for low rise residential (up to four storeys, subject to zoning)

Station Area Mixed Use designation

- New designation in the Official Plan

- Applies to large sites that could potentially be converted from employment, as identified in the Region's Municipal Comprehensive Review and ROPA 6

- Designation allows for wide range of mixed of land uses in strategic locations within Station Areas, allowing residential uses but also maintaining an employment function and jobs

Land Use Schedules

- Schedule 'A' Land Use Plan

  o Various updates including new designation/redesignations

- Schedule "B" City Structure

  o Renamed "Urban Growth Centre" to "Primary Node"

  o Added Major Transit Station Areas and ION LRT route to the Schedule

  o Expanded some Minor Corridors

  o Added a new Minor Neighbourhood Corridors category

- Schedule 'B1' Built Form

  o Renamed from "Height and Density"

  o Schedule only directs height, not density

  o Changed how height is measured from metres to storey

  o Some 25 storey height permissions increased to 30 storeys

  o Low rise heights limits modified to permit up to four storeys Terminology changes to refer to "rise" instead of "density" (e.g. "low density" changed to "low rise")

- Schedule 'J' – Station Areas (deleted)

    o Station Area Boundaries combined with Schedule 'B'

    o Remaining information on Schedule already noted on Schedules 'J1'- J5'

- Phase 1 did not address nor modify the following schedules

    o A5, 'A45a', 'A45b', 'A6b', 'A6c', A6d', 'B4', 'C', 'D', 'F', 'G', 'H', 'I'

Housing Pledge

In 2023, Council approved the Housing Pledge of 16,000 new units from 2023 to 2031 which requires an average of 1,606 units per year. The Province is reporting as of October 2024 that the City is tracking approximately 64% of the housing target.

City of Waterloo Strategic Plans

In 2019, the Council recognized the need to address the affordable housing crisis including initiatives within the 2019-2022 strategic plan. This strategy provides the city with additional steps it can take to work with the development community, non-profits and other orders of government to ensure more affordable and attainable housing is built.

In 2023, the Council approved the 2023-2026 Strategic Plan which outlined in Strategic Priority 3 - Complete Community and Objective 3 - Complete Neighbourhoods states:

- Support the Region of Waterloo and collaborate with area municipalities and community partners on housing initiatives in our community including homelessness.

- Implement the Affordable Housing Strategy to increase the supply and mix of affordable housing.

- Carry out and monitor the City's Housing Pledge, planning for 16,000 new residential units by 2031.

- Continue to implement and revise the Neighbourhood Strategy to improve neighbourhood interaction, safety and relationships; promote the Neighbourhood Matching Fund and develop plans for age friendly initiatives in support of the City's membership in the Global Network of Age Friendly Cities and Communities.

Affordable Housing Strategy

In March 2023, the Council approved their first Affordable Housing Strategy (AHS). The AHS outlines a blueprint of action that the city will take to improve housing choices for Waterloo residents and those moving to the community.

The AHS allows the city to immediately move ahead with 59 actions, including creating more opportunities to enable the construction of missing middle housing; making it easier to build second units by eliminating parking requirements for second units near

ION stops; and enhancing Waterloo's Rental Housing Support webpage to provide more supports for landlords and tenants.

The AHS positions the city to implement medium- and longer-term actions including exploring the feasibility of using city-owned lands for affordable housing and the development of a rental housing acquisition program that encourages the transition of rental buildings into community ownership. These initiatives would be subject to future budget deliberations.

The AHS contains 81 actions that the city will aim to implement over the next decade. Of those 81 actions, 59 can be integrated into current work plans without requiring additional resources. Given the number of new actions proposed for integration into current work plans, the pace of implementation may vary. The remaining 22 actions will require additional staffing resources and/or increased operational/capital funding.

The targets, goals and actions within the AHS are based on research, as well as feedback from individuals with lived experience, persons and organizations with significant housing development and operating expertise, and the general public. Community feedback was used in the development of the initial goals and actions as well as to validate the proposed actions.

The AHS recommends the development of policy objectives to achieve a minimum of 30 per cent of new ownership and rental housing in the city to be affordable to low- and moderate-income households and to incorporate this target into the city's Official Plan in accordance with the direction set out in the Regional Official Plan. In addition, the policy should include objectives to achieve a minimum target of eight per cent of new housing units in the city to be subsidized units and a minimum target of 39 per cent of new housing units in the city to be rental units, by 2033.

Housing Accelerator Fund (HAF)

In 2024, the City of Waterloo was awarded $23.4 million in funding from the federal government's Housing Accelerator Fund (HAF). This program, established by the Canada Mortgage and Housing Corporation (CMHC), provides financial support to local governments to address housing affordability and supply challenges in their community.

Fund amount: $23.4 million

Outcome: 675 new housing units in three years (over and above our historical housing growth)

The City of Waterloo HAF Action Plan will help to implement actions identified in the Affordable Housing Strategy. Approved by council in 2023, the Affordable Housing Strategy aims to:

- Plan for and enable a greater supply and mix of housing.

- Plan for and prioritize non-market (subsidized) and temporary housing.

- Optimize the use of existing housing and protect the affordable housing supply.

- Provide incentives to build affordable housing.

- Build city and community capacity, awareness and supports for affordable housing.

The nine initiatives are also part of the City of Waterloo's work to meet the objectives of our Complete Community strategic priority, including:

- Collaborate with area municipalities and community partners on housing initiatives in our community.

- Implement the Affordable Housing Strategy to increase the supply and mix of affordable housing.

- Carry out and monitor the City's Housing Pledge, planning for 16,000 new units by 2031 (the 650 new units as part of the HAF actions are in addition to our pledge)

- Optimize the use of City-owned lands to achieve strategic objectives.

1. Municipal Lands Program

Use identified municipally owned lands for affordable and attainable housing.

- 2025 University Avenue East, Waterloo

In December 2024, the Council approved to identify Habitat for Humanity Waterloo Region/BUILD NOW as the preferred proponent for the development of 2025 University Avenue East and directs staff to negotiate a satisfactory Agreement of Purchase and Sale in exchange for the development of affordable and attainable housing.

The Municipal Zoning Order (MZO) was approved in January 2025. A Zoning Order, made pursuant to clause 47(1)(a) of the Planning Act, regulates the use of the land and the erection, location and use of any building or structure on the land. The Minister's Zoning Order was made based on a request from the City of Waterloo.

O. Reg. 12/25 facilitates a mixed-use development with 1,010 residential units including 312 affordable rental units, 312 affordable ownership units, and 386 attainable ownership units, and commercial uses. Institutional and recreational uses would also be permitted. A conservation zone would also apply to environmental features and buffers on the subject land.

O. Reg. 12/25 applies to approximately 10 hectares of land, known municipally as 2025 University Avenue East in the City of Waterloo.

Pursuant to the subsection 47(4) of the Planning Act, and except for the purposes of section 24, the Minister deemed this zoning order to be a by-law passed by the council of the City of Waterloo.

2. Employment Lands Conversion

Review employment land needs and amend the Official Plan and Zoning By-law to permit a mix of employment, commercial and residential 'as of right' on certain lands that were previously designated for employment purposes.

Official Plan Amendment No. 58 created a new land use designation (Station Area Mixed-Use) which was applied to lands previously identified as potential employment conversion sites. December 2024, the Council adopted the Official Plan Amendment and passed the implementing Zoning By-law Amendment 2024-102. Noting that the Zoning By-law did not apply to lands under appeal or being considered as an active Planning Act application.

While the implementing Zoning By-law Amendment was approved by the Council, it does not come into full force and effect until the Minister of Municipal Affairs and Housing approves Official Plan Amendment No. 58.

3. Corridor Expansion Study and Plan

Expand "missing middle", transit supportive housing options in an area near the City's post-secondary institutions and public transit. The approach to this matter has been split into two components; Component 1 provides for the expansion of the Columbia Street Minor Corridor and Component 2 provides for enabling the missing middle supporting by policy and regulation multi-unit buildings up to six storeys with a maximum density of 450 bedrooms per hectare (600 bedrooms per hectare with 'bonusing 'like policies. The existing Medium Density Residential properties would be evaluated to determine if multi-unit buildings up to 8 storeys in height were appropriate.

For Component 1, In December 2024, the Council adopted Official Plan Amendment No. 58 and was forwarded to the Minister of Municipal Affairs and Housing for a decision. It is anticipated that a Zoning By-law Amendment to implement Official Plan Amendment No. 58 may be considered in the winter of 2026.

For Component 2, in February 2025, the Council approved a planning staff report related to the planning framework and the approval to retain a consultant to complete the work. It is anticipated that an Official Plan Amendment and Zoning By-law could be considered by the Council in the winter of 2026.

4. Online Development Application/Submission/Approvals System

Create an online submission portal and application review system to track, integrate and expedite the development approval processes.

In February 2025, the city secured an online application submission portal software (MyCityPortal) which is to be integrated with the City AMANDA Building Permit system. Upon completion of training and testing, it is anticipated that the system could be activated in the summer of 2025.

5. Multi-Unit Residential Acquisition Program (MURA)

Develop a Multi-Unit Residential Acquisition program to enable the purchase of market rental buildings and/or units for affordable housing by mission-aligned not-for-profit housing providers, co-operatives and community land trusts.

In March 2025, the Council was provided with an update related to background research, that consultation with not-for-profit providers was undertaken and the approach to be undertaken when the policy is to be developed. It is anticipated that by September 2025, the Council will have the opportunity to approve a policy to be implemented.

6. Additional Residential Unit Toolkit and Financial Incentives

Create a webpage that helps homeowners understand the process, steps, requirements and costs associated with the construction of Additional Residential Units (ARUs), as well as the financial incentives to encourage homeowners to build market and affordable ARUs.

In 2025, the city created the 'Additional Residential Units Guide' to assist property owners and the public with the understanding and evaluation of whether an ARU is the right fit for them and the steps necessary to proceed.

In December 2024, the city approved Zoning By-law 2024-101 to enable up to four units/four storeys on low density properties and made additional modifications to remove barriers to the construction of ARU's and Coach Houses.

7. Community Planning Permit System and Urban Design Guidelines

Adopt an Official Plan Amendment and Zoning By-law to provide for a land use planning tool which combines Zoning By-law Amendments, Minor Variances and Site Plan applications into one single application and approval process, enabling housing to reach the market more quickly. Modify the Urban Design Guidelines appropriately for the revised process.

In January 2025, Public Engagement sessions were held as a forum for community and industry comments to the proposed policies and regulations. Over the summer of 2025, based on the comments received on the policies and regulations, the draft Official Plan and Zoning By-law Amendments would be prepared, additional consultation with a report for a decision to be forwarded to Council in the fall of 2025 or winter of 2026.

8. Parking Framework/Approval Process Update

Review and update of the City's parking requirements for new development to make optimal use of land and promote affordability. Create a streamlined process and monitoring framework for reviewing further reduced parking requests for developments containing affordable units.

In February 2025, the Council approved the evaluation criteria and process for the consideration of private initiated planning applications to reduce the required off-street parking for projects meeting the affordable housing criteria.

9. Enable Redevelopment of Places of Worship for Housing

The City proposes to create a Place of Worship Inventory and to proactively carry out planning assessments and associated Official Plan Amendments and Zoning By-law amendments to permit multi-unit housing as-of-right on Places of Worship properties.

The initiative will help streamline the development approvals process and remove barriers facing faith communities in moving forward with redevelopment projects.

Other initiatives:

Inclusionary Zoning (IZ)

In coordination with the Region of Waterloo, and the Cities of Cambridge and Kitchener, develop a policy and regulation to implement the Planning Act and Regulation to require new residential development located within Protected Major Transit Station Areas to set aside a specific percentage of Gross Leasable Area for affordable housing.

In June 2024, the Council adopted Official Plan Amendment No. 50 and passed Zoning By-law 2024-058 which provided the policy and regulatory framework for the city for IZ. Effective September 12, 2024, the polices and regulations were approved and to come into effect on March 31, 2025.

On March 24, 2025, based on market conditions, the Council passed Zoning By-law 2025-011 to defer the implementation date to 'an undetermined date in the future'. Staff are continuing to monitor the housing market conditions and will report to Council in mid-year.

Affordable Rental Housing Grant Program:

In June 2022, the City Council approved an Affordable Rental Housing Grant Program to help not-for-profits offset the capital costs of creating and/or retaining affordable housing units. The funding is available to not-for-profit organizations, including not-for-profit co-operatives to support them in the creation and/or retention of affordable rental housing. This grant which promises to increase the supply and mix of affordable housing. program is also part of the City's 'Complete Neighbourhoods' objective. The $1.1 million funding is comprised of $900,00 from developer contributions and $200,00 from Council's Community Priority and Contingency Reserve.

In 2024, Council awarded grants of $375,000 for senior affordable housing units Supportive Housing of Waterloo (SHOW) and co-op capacity research to (Central Ontario Co-operative Housing Federation).

In April 2025, the city advised that they are accepting new applications as part of the grant program of $725,000 towards affordable rental housing which are due May 30, 2025. Requests are currently being evaluated.

Zoning By-law 2018-050

Zoning By-law 2018—050 is the approved comprehensive Zoning By-law that implements the approved Official Plan, applies to the entire city and which sets out permitted land uses and regulations in numerous zoning categories.

The Council from time-to-time reviews and updates Zoning By-law 2018-050 through house-keeping amendments and public/private initiated Zoning By-law Amendments.

Housing Needs Assessment (2020)

In December 2020, the city completed a 'Housing Need and Demand Analysis' (HNDA). The HNDA summarized the City population, demographic and household characteristics and housing market conditions to identify current and future housing needs and as it relates to affordable housing.

The HNDA outlined several key findings which have been utilized in guiding city housing policies and initiatives.

The Key findings:

- Housing affordability is a challenge for almost one quarter of Waterloo households.

- Entering the housing market at current prices is unaffordable to almost 75% of Waterloo households.

- Average market rent is unaffordable to more than 20% of Waterloo households.

- If trends continue, housing will become increasing unaffordable for a greater proportion of the population.

- Housing unaffordability affects a greater proportion of low-income households and vulnerable populations than other populations.

- Waterloo has uniquely high demand for rental housing compared to other municipalities.

- The secondary rental market (e.g. rented condominium apartments) can provide additional supply but does not replace the need for primary (purpose-built) rental units.

- More primary market rental housing is needed to support households in the lowest income ranges.

- More non-market rental housing is needed to support households who can not afford market rents.

- Waterloo has sufficient greenfield lands and lands within the built-up area to accommodate an adequate housing supply.

- Further research is needed to ensure the City is planning for the right type of housing to meet the needs of Waterloo's current and future households.

2024 Residential Market Update, NBLC

In October 2024, the city together with the Region of Waterloo, the cities of Cambridge and Kitchener retained NBLC to undertake a market assessment related to the evaluate the timing of Inclusionary Zoning and potential the impact on market-based housing within Protected Major Transit Station Areas. The initial Inclusionary Zoning Assessment was completed in 2019/2020.

Inclusionary Zoning within the city was to be implemented effective March 31, 2025, based on the approved Official Plan and Zoning By-law. In 2024, it was agreed that the municipalities would complete an update/review of the residential market conditions related to the implementation of Inclusionary Zoning.

The NBLC review concluded:

- ***Population Growth -*** Kitchener, Cambridge and Waterloo have continued to see strong population growth, largely driven by non-permanent residents. Signals indicate that this growth could slow because of recent Federal policy announcements related to cuts and caps to permanent and non-permanent resident targets.

- ***Development Feasibility -*** Rising interest rates and a 92% increase in construction costs since 2017 have significantly reduced the feasibility of new housing projects, leading to limited new launches and building permits in 2024.

- ***Condominium Market Trends -*** New condominium sales are sluggish, with only 10% of units released in 2024 sold, largely attributed to compressed demand. Relative affordability and choice in the resale market has eroded the attractiveness of purchasing in a pre-construction project.

- ***Rental Market Outlook –*** Although vacancy rates remain low, rental price growth has been dampened by record-high completions in 2023 and a decrease in international student visas.

NBLC's initial Inclusionary Zoning assessment report was completed in 20219/20220, a period in which the high-density market was strengthening on a year-over-year basis and market momentum demonstrated some capacity to absorb inclusionary housing without adversely impacting market rate supply. The 2024 review of market conditions demonstrates that across multiple key indicators, the market and economic context for investing in new high density residential development is markedly more challenging than it was five years ago.

Bill 5 (Protecting Ontario by Unleashing our Economy Act, 2025) - Province of Ontario

On April 17th, the Province introduced Bill 5, *Protect Ontario by Unleashing our Economy Act, 2025,* a broad set of proposed legislative amendments to enact the *Special Economic Zones Act*, 2025, to amend the *Endangered Species Act*, 2007 and to replace it with the *Species Conservation Act*, 2025, and to amend various Acts and revoke various regulations in relation to development. These amendments will enable exemption of designated projects, special economic zones, and trusted proponents from any provincial or municipal law, including those affecting Species at Risk ("SAR").

The *Endangered Species Act*, 2007 was originally enacted in 1971 to protect and support the recovery of SAR because of development and loss of biodiversity. The proposed amendments remove as-of-right protections and enact the ability to consider economic and social growth as more important, as long as the activities do not result in the species no longer existing in the Province as a whole. The proposed *Species Conservation Act*, 2025, removes reference to recovery of SAR populations that have declined or are in decline, and instead promotes conservation of the at-risk or reduced populations currently present.

One of the most significant changes is the revised definition of habitat. Currently, habitat is that which provides the full range of habitats for essential lifecycle processes. The new definition will remove consideration of movement, migration, and foraging habitat and is likely to lead to isolated populations, lack of genetic diversity, and population decline resulting from an inability of individuals to move between seasonal habitats. Staff are concerned that the exemption of economic areas from environmental legislation, removal of consideration of species recovery, and habitat fragmentation may compound and lead to continued decline.

Key components of the proposed legislative changes include the following:

• Shift from permitting to a registration-first approach; proponent-led process with less provincial review by the Province;

• Shift in the purpose of the Act to reflect social and economic considerations;

• Provision that the Province may create "special economic zones", where the government can suspend or override all existing laws and regulations regarding environmental protection and municipal regulations;

• Repeal of the *Endangered Species Act*, and replacement with the proposed *Species Conservation Act*;

• Shift in focus from species recovery to species conservation, indicating that the current at-risk or declining populations are to be conserved rather than recovered;

• Provincial government will have discretion to add or remove species from Protected Species in Ontario List ("SARO"), rather than depending exclusively on scientific studies or assessment reports through the Committee on the Status of Species at Risk in Ontario ("COSSARO");

• Redefining protections and definition of habitat that omits consideration for critical life cycle processes and no longer restricts harassment of species.

Bill 5 received Royal Assent on June 5, 2025.

Bill 17 (Protecting Ontario by Building Faster and Smarter Act, 2025) - Province of Ontario

On May 12, 2025, the province introduced Bill 17, the *Protect Ontario by Building Faster and Smarter Act, 2025.* The main goals of this legislation are to help expedite the construction of new homes and infrastructure, streamline planning processes and reduce regulatory barriers. The legislation proposes several key changes to the *Development Charges (DC) Act* and *The Planning Act*, among others.

Key Changes - Development Act:

• **Exemptions:** Long-term care homes to be exempt from Development Charges.

• **Deferrals:** All residential DCs will be deferred until first occupancy and municipalities will no longer be able to charge interest on deferred DC payments. o Staff will be bringing a DC update report to Council in June that aligns with the proposed changes, specifically, the removal of charging interest on deferrals and reducing the rate freeze interest.

• **Regulations:** Potential future regulations could have larger financial implications for the City like limiting eligible capital costs and how benefit to existing development calculations are applied. However, there is nothing published currently on what that might look like or when it may be put in force through future regulation.

• **Administration:** There may also be administration considerations for the City based on the proposed changes from Bill 17, and how that would impact current staff resources and system requirements.

Key Changes – Planning Act:

• **Streamlining Official Plans:** Consult with municipalities on proposed legislative/regulatory changes on ways to simplify and standardize land use designations in Official Plans.

• **As of Right Variations:** Proposed regulation would make legal any setback reduction that is 10% or less on "specified lands", which the Province has indicated as "urban residential lands". The Province would have flexibility to adjust the variation permitted in the future, and is also looking to receive feedback on what other performance standards are appropriate for an as-of-right variance from zoning by-laws (e.g. height and lot coverage).

• **Complete Applications:** Would prohibit municipalities from requiring the following studies as part of a complete development application:

 o Sun/Shadow Study;

o Wind Study;

o Urban Design Study;

o Lighting Study/Analysis

Municipalities would require written approval for the Minister of Municipal Affairs & Housing before adopting an Official Plan Amendment to change requirements for a complete development application.

Municipalities must accept studies "as is", should they be authored by a qualified professional (i.e. municipal staff could not seek additional detail).

The Province is seeking feedback on what other topics or studies could be included in this regulation.

• **Inclusionary Zoning:** Limit Inclusionary Zoning to a maximum rate of 5% of units, and a 25-year maximum affordability period within Protected Major Transit Station Areas. This is consistent with the framework that Council has been working within.

Key Changes – Building Code Act:

• Impacts legislative authority for High Performance / Green Development Standards by standardizing the application of the Ontario Building Code (OBC) by removing municipalities' ability to set higher building standards than those specified in the OBC.

Other Notable Measures:

• **Transit Oriented Communities:** Would allow the Minister of Infrastructure to issue MZOs for developments in TOCs, allowing projects to bypass certain zoning and planning regulations.

• **Infrastructure Funding:** This Bill includes a $400 million top up to the Housing-Enabling Water Systems Fund (HEWSF) and Municipal Housing Infrastructure Fund (MHIF). Staff are monitoring the HEWSF Intake III grant for a future application.

• **MTO Approvals:** Accelerate the review and issuance of highway corridor management permits. Options and recommendations will be provided by July 2025 on highway corridor setback standards, building permits and land use permits, and encroachment permits.

Bill 5 received Royal Assent on June 5, 2025.

OBSERVATIONS

- *Over the last decade there have been significant and numerous Provincial policy and process related legislated changes affecting the delivery of housing.*

- *The city has comprehensively reviewed and modified the municipal policy framework addressing the provincial changes and to ensure municipal policies and processes remain current.*

- *The city was awarded $23.4 million from CMHC Housing Accelerator Fund to provide for the delivery of a minimum of 675 new housing units within three years over and above the historical housing growth.*

- *The city has systematically considered and approved numerous housing initiatives to expand the 'market based housing and affordable housing toolbox.'*

- *The city is working in a coordinated manner with the other municipalities to ensure consistency in policy and regulations and monitor the housing market.*

- *The city is continuously and comprehensively engaging with the community and the building industry throughout the development of the 'housing and affordable housing toolbox.'*

- *The development of the Regional ION transit system has been an effective land use tool in changing the form of the city and supporting higher densities along the route.*

- *The city-built form is maturing from outward expansion of new neighborhoods to intensification within Major Transit Station Areas, Nodes and Corridors and infill within existing and new neighborhoods.*

- *The current economic conditions are limiting the delivery of new market based and affordable housing.*

- *Market monitoring completed would suggest that there is not a supply or processing issue with market-based housing but that it is an economic factor of land costs, construction costs, interest rates and fees/charges and return on investment as some of the key drivers*

2.2 Community Profile

Tables 2.2.1 and 2.2.1 illustrate specific population and demographic information for the city based on the template.

2.2.1 Population		
Characteristic	**Data**	**Value**
Total Population (Number)	2016	104,986
	2021	121,436

2.2.1 Population		
Characteristic	**Data**	**Value**
Population Growth (Number)	Total	16,450
	Percentage	15.7
Age (Years)	Average	39.2
	Median	36
Age Distribution	0 - 14 years	17,645
	15 - 64 years	85,085
	65+ years	18,710
Mobility	Non-movers	96,620
	Non-migrants	11,125
	Migrants	9,740
Source: Template Document		

2.2.2 Demographic Information		
Characteristic	**Data**	**Value**
Immigrants	Total	32,530
Non-Immigrants	Total	75,610
Recent Immigrants (2016-2021)	Total	6,610
Interprovincial migrants (2016-2021)	Total	2,495
Indigenous Identity	Total	1,585
Source: Template Document		

2.3 How have population changes in your community as illustrated by the above data impacted your housing market?

The City of Waterloo is one of three major urban municipalities (Cambridge and Kitchener) within the Region of Waterloo. The Region also includes four rural townships

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(Woolwich, Wellesley, Wilmot and North Dumfries) with smaller urban and other settlement areas.

FAST GROWING - According to Statistics Canada, Table 17-10-0148-01 Population estimates, July 1, by census metropolitan area from 2022 to 2023, the growth rate for Kitchener-Waterloo-Cambridge Census Metropolitan Area (CMA) was 6.15% which is greater than Calgary, Alberta at 6.04% and Vancouver, British Columbia at 4.2%. The growth rate for Ontario over the same period was 3.1%.

Therefore, the City of Waterloo is part of the CMA that is one of the fastest growing regions in the country and which growth exceeds the Ontario provincial growth during this time period. This rapid growth places additional pressures on ensuring an adequate supply of housing including affordable housing, education, employment and supporting community facilities to meet the needs of the community.

Population Growth Patterns

STUDENTS -Table 2.2.1Total Population does not account for Temporary Student Population, which has a significant impact on housing within the city. The city has three post-secondary schools, University of Waterloo Campus, Wilfrid Laurier University Campus and Conestoga College Waterloo Campus.

The number of post-secondary students is shown in Region of Waterloo Report: PDL-GDS-25-005, May 6, 2025, Population and Household Estimates. The city's estimates are as follows as illustrated within Table 2.2.3:

2.2.3 - Region of Waterloo Population and Household Estimates - Waterloo	
Total Population Year-end 2024*	155,550
Households Year-end 2021*	52,770
Temporary Student Populations (included above)	33,610
Students Arriving	35,480
Living in Student Residences	9,810
Living in Other Accommodations	25,670
Students Leaving **++**	(1,860)

***Based on available data from 2021, Census, including adjustments for recent residential development, students and other foreign/temporary residents, net Census undercount, and vacancy rates. Due to various corrections and adjustments, direct comparisons to previous years' estimates are not valid.

++These are students who leave home to attend school. They represent the reverse flow of the temporary students arriving in the Region from elsewhere.

The three schools located within the city have created demand for international students, increased the population of the city, created transient demand for housing based on school terms, affected the form of housing and created competition for housing near the schools. Therefore, the student population has a significant impact on public policies and housing supply whether the housing is located on-campus or off-campus. In response, the city has developed policies for an area in proximity to the University of Waterloo and Wilfrid Laurier University known as the Northdale Community specifically to address the post-secondary student housing needs and demands.

From 2021-2024, both Federal and Provincial governments employed a strategy of rapid growth via immigration. Historically high levels of international students, temporary foreign workers in particular, placed significant strain on the housing system. In Waterloo, international student growth resulted in an abrupt and critical housing shortage that the private market was not able to effectively respond to. Vacancy rates in 2022 and 2023 were 1.2% and 1.6% respectively, and rents increased dramatically. As the Federal Government restricts immigration and foreign student levels, these restrictions will have a further impact on the location, number and type of housing demand within the city. Specifically, it is expected that vacancy rates may normalize, and the rental market may be under less strain as the population growth rate slows.

AGE - Waterloo population could be considered a relatively youthful city. The median age in the 2016 Census was 37.7 years compared to a median age of 38.5 for the Region of Waterloo and 41.3 years for Ontario. The 2021 Census median age for Waterloo is 36 years. If you were to consider domestic students, then the median age would be even less. Housing policies and developments should address this.

Migration of young workers and families coming to the Region from Toronto/GTA for employment, the lifestyle, relatively affordable cost of living and post-secondary education, may be contributing to the relatively youthful population.

IMMIGRATION - Waterloo region has a long history of immigration, being a key factor in driving the population growth and this trend seems to be continuing. Based on the 2016 Census (26,155 people), approximately one in four Waterloo residents were immigrants and based on 2021 Census (32,530 people) this proportion generally remains the same. Better understanding the recent immigrant housing needs must be addressed.

INDIGENOUS IDENTITY - There is a presence of people who identify as Indigenous given the proximity of Waterloo to the Six Nations of the Grand River reserve (Ohsweken) and to the Grand River (Haldimand Tract).

*UNIVERSITY OF WATERLOO-WILFRID LAUIER-UNIVERSITY CONNESTOGA COLLEGE HOUSING -*The Town and Gown Committee 2023 reported that as of

December 2022 that there were 9,235 on-campus beds owned and operated by the institutions which do not include beds owned by the institution but operated by a third party or a leased building.

There is a 500-bed residence under construction for one of the institutions planned to open in the fall of 2026.

WATERLOO REGION HOUSING - operate 398 residential units of various number of bedrooms in townhouses or apartment dwellings. In addition, the Region provides support to co-op, private and non-profit housing providers for an additional 1,009 units.

OBSERVATIONS

- ***Kitchener-Waterloo-Cambridge CMA is one of the fastest growing CMAs in Canada.***

- ***The student population plays an important role within the city as their housing needs are different in location, form, size and is a significant driver of housing needs, requirements and thus the planning framework within Waterloo.***

- ***The City population is relatively youthful.***

- ***Immigration is a significant driver of population.***

- ***Post-Secondary Institutions provide additional student housing.***

- ***The region provides and supports additional affordable housing units.***

- ***Public housing policies and the planning framework must address the diversity of the population.***

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3. Household Profiles and Economic Characteristics

This section should provide a general overview of income, housing and economic characteristics of the community being studied. Understanding this data will make it easier to observe the incidence of housing need among different socio-economic groups within the community. Income categories could be used for this analysis and can be completed in accordance with the HART methodology and CMHC data.

Area Median Household Income (AMHI) can be used as the primary basis for determining income brackets (as a percentage of AMHI) and corresponding housing cost ceilings.

This section should also outline the percentage of households that currently fall into each of the income categories previously established. This will allow a better understanding of how municipalities compare to Canadian averages, and the proportion of households that fall into each household income category. This will also allow for a better understanding of drop-off levels between total households and the number of units required to meet anticipated need or demand in each category. Housing tenures allow for the comparison of renter and owner-occupied households experiences and is important for understanding a community's housing context.

Using a stratified, income-based approach to assessing current housing needs can enable communities to target new housing development in a broader and more inclusive and equitable way, resulting in housing that can respond to specific households in core housing needs. This is shown in the next section.

3.1 Household Profiles

Table 3.1.1 illustrates the Household Income and Profile information. Additional information from the Region of Waterloo was provided related to the number of households located within 800 metres of a higher order transit station. The area of the Transit Station is defined by the Region and City within the respective Official Plans.

3.1.1 Household Income and Profile		
Characteristic	**Data**	**Value**
Total number of households	2016	40,381
	2021	47,040
Household income (Canadian dollars per year)	Average	122,400
	Median	94,000
Tenant Household Income (Canadian dollars per year, only available at CMA or CA Level) - Data from Kitchener - Cambridge - Waterloo (CMA), Ont.	Average	70,100
	Median	60,000
Owner household income (Canadian dollars per year, only available at CMA or CA Level) - Data from Kitchener -	Average	135,000
	Median	115,000

3.1.1 Household Income and Profile		
Characteristic	**Data**	**Value**
Cambridge - Waterloo (CMA), Ont.		
Average household size (Number of members)	Total	2.5
Breakdown of household by size (Number of households)	Total	47,040
	1 person	12,250
	2 persons	15,710
	3 persons	7,560
	4 persons	7,505
	5 or more persons	4,020
Tenant households (Number of households)	Total	18,205
	Percentage	38.7
Owner households (Number of households)	Total	28,835
	Percentage	61.3
Percentage of tenant households in subsidized housing	Percentage	6.7
Households within 800m of a higher-order/high frequency transit stop or station (#)	Total	11,960 total: • 2,795 owners • 9,140 renters
Number of one-parent families	Total	4,420
	Percentage	14.2
Number of one-parent families in which the parent is a woman+	Total	3,510
Number of one-parent families in	Total	905

3.1.1 Household Income and Profile		
Characteristic	**Data**	**Value**
which the parent is a man+		
Number of households by Income Category	Very Low (up to 20% below Area Median Household Income (AMHI)	2,475
	Low (21% – 50% AMHI)	7,840
	Moderate (51 – 80% AMHI)	8,500
	Median (81% - 120% AMHI)	9,245
	High (>120% AMHI)	18,570
Source: Template Document # Growth Management and Analytic Services, Region of Waterloo		

Table 3.3.1 demonstrates:

- There were an additional 6,659 households formed from 2016 to 2021 representing an increase of approximately 16 per cent. This represents a significant increase in the number of households being formed and demonstrates the need for housing to be provided to meet current and future needs.

- The median household income was $94,000 while for tenant household income it was $60,000 and for owner households it was $115,000. This illustrates the limitations of household income for renters and the need for affordable rents.

- The average size of households decreased from 2.6 in 2016 to 2.5 in 2021. Given that household size is relatively stable this puts additional pressure to provide for more housing when the population is increasing.

- The majority of household sizes are within the one-person and two-person categories, which should guide the required size of dwellings to meet the existing and future housing needs.

- The relationship between the percentage of tenants and owners' households has remained relatively the same from 2026 to 2021.

- Within 800 metres from a transit station there are a greater number of rental households. This may be in part due to the availability of public transit and less reliance on an automobile.

- The percentage of one-parent family is 16% and of that number the majority are woman and would be very low or low household income. This would provide guidance to the existing and future housing needs and affordability.

Figure 1 illustrates the number of households by income category.
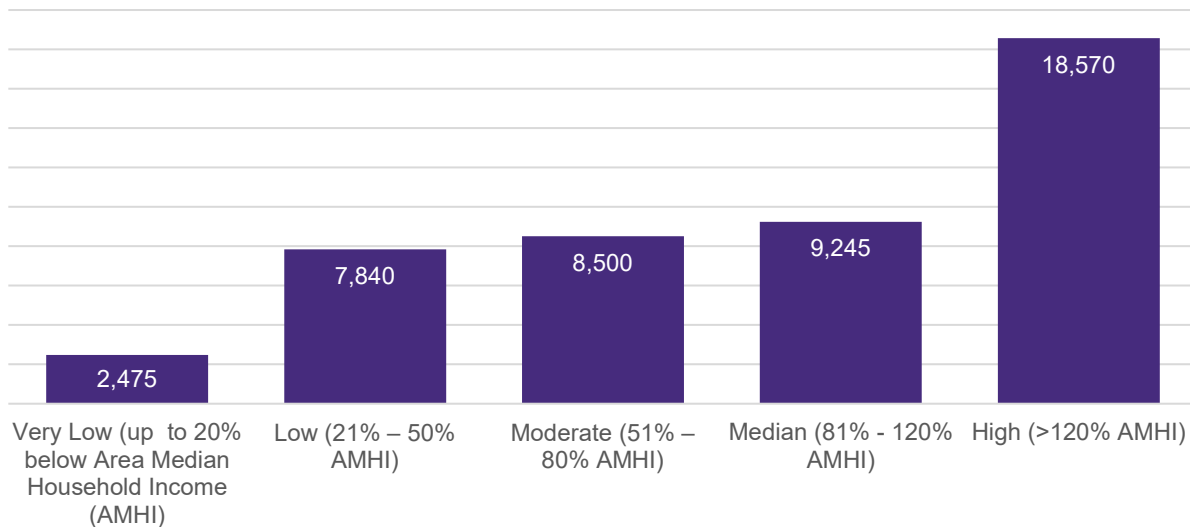
Source: University of British Columbia - Housing Assessment Resource Tools (HART)

Figure 1 demonstrates that there is an approximate equal split between the combined very low, low and moderate household income with high household income. This would affect the form of housing and affordability to address existing and long-term needs.

Table 3.1.3 and Figure 2 illustrate the median household income for the city in comparison to other mid-sized Ontario cities.

3.1.3 Median Household Income for Waterloo among mid-sized Ontario Cities ($)		
Geographic Name	Number of Private Households, 2021	Median Total Income of Households in 2020 ($)
Windsor	94,270	70,000
Peterborough	35,980	71,500

3.1.3 Median Household Income for Waterloo among mid-sized Ontario Cities ($)		
Geographic Name	**Number of Private Households, 2021**	**Median Total Income of Households in 2020 ($)**
St. Catharines	58,905	72,500
Niagara Falls	37,795	74,500
Brantford	41,675	79,500
Kingston	57,835	79,000
Oshawa	66,635	86,000
Kitchener	99,810	87,000
Cambridge	51,270	93,000
Barrie	55,315	93,000
Guelph	56,480	93,000
Waterloo	47,040	94,000
Richmond Hill	69,315	102,000
Burlington	73,180	110,000
Ajax	39,490	119,000
Whitby	46,460	123,000
Milton	40,035	126,000
Vaughan	103,915	124,000
Oakville	73,560	128,000
Source: Statistics Canada, 2021 Census of Population		

Figure 2 illustrates median household income for Waterloo in comparison to other mid-sized Ontario cities
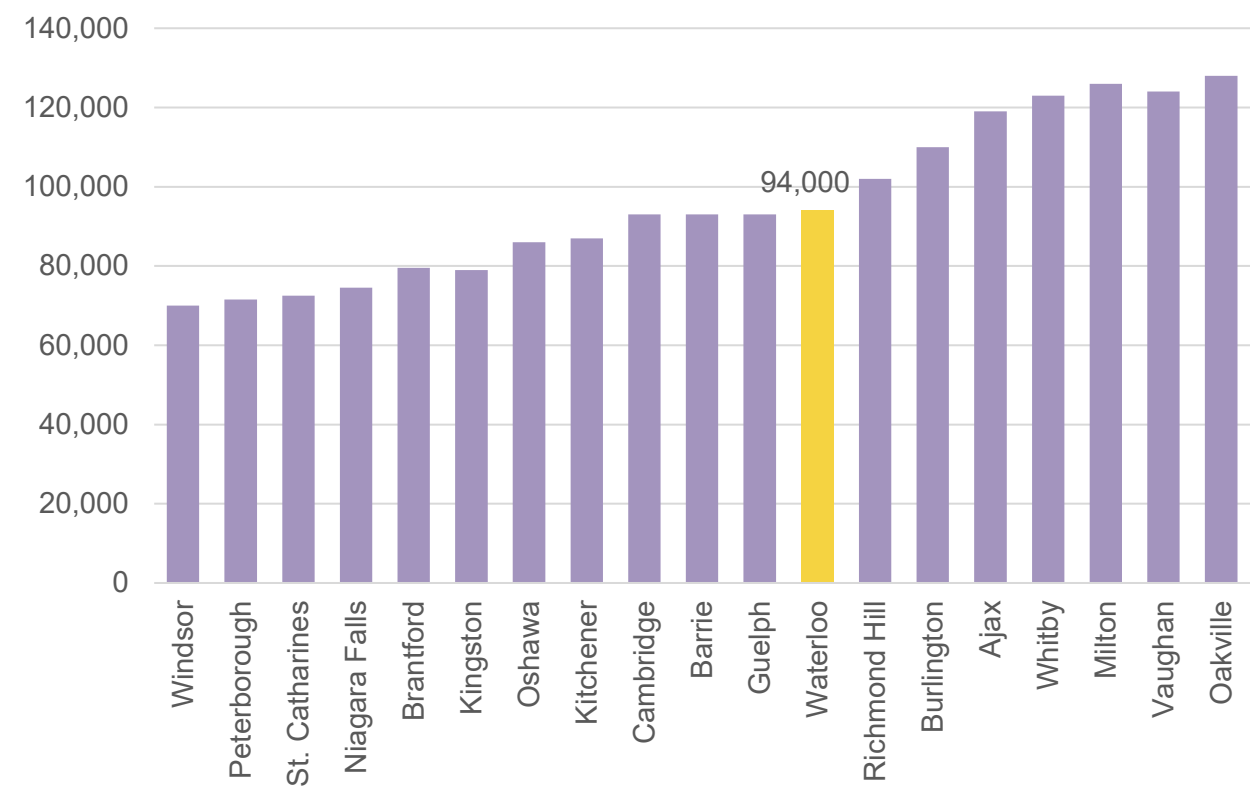
The median income for Waterloo is higher than municipalities located outside of the Greater Toronto Area (GTA) and less than municipalities located within the GTA. Given the price of housing within the city is less than GTA prices this could create additional demand for housing and support the 'drive until you qualify' phenomenon.

Table 3.1.4 and Chart 3 illustrates the 2021 median household after-tax income for the city in comparison to the Region of Waterloo and Ontario.

3.1.4 Median Household After-tax Income ($), 2020		
Geographic Name	**Household Income**	**Individual Income**
City of Waterloo	82,000	37,600
Region of Waterloo	81,000	38,400
Ontario	79,500	37,200
Source: Statistics Canada, 2021 Census of Population		

Figure 3 illustrates 2020 Median Household and Individual Income.
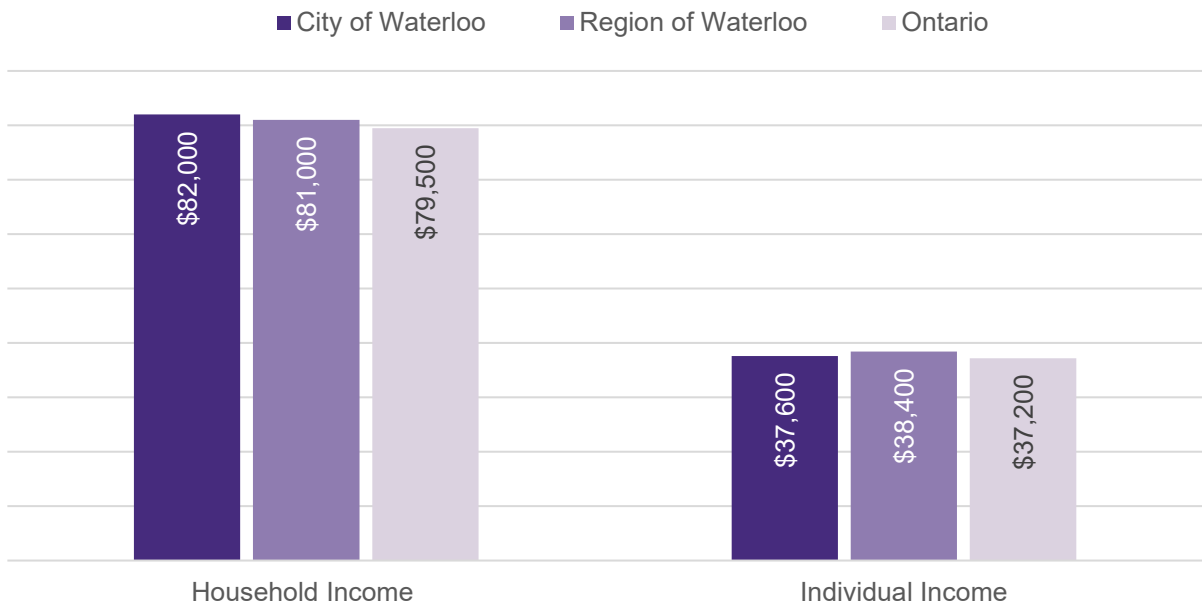
The City of Waterloo median household after-tax income is greater than that of the Region of Waterloo and Ontario.

Map 1 illustrates the Major Transit Stations located within the city and the new multiple residential developments.

As illustrated on Map 1, the Major Transit Station Areas divides the city into three parts with the central spine being the focus of mixed-use higher density and residential development including rental and condominium ownership development. The east and west portions being the combination of historical neighborhoods and recent greenfield development where there is predominantly low-rise development with infill and minor intensification along corridors and at nodes defined within the public planning policies.

Map 1: New Multi-Unit Housing in Close Proximity to Rapid Transit.
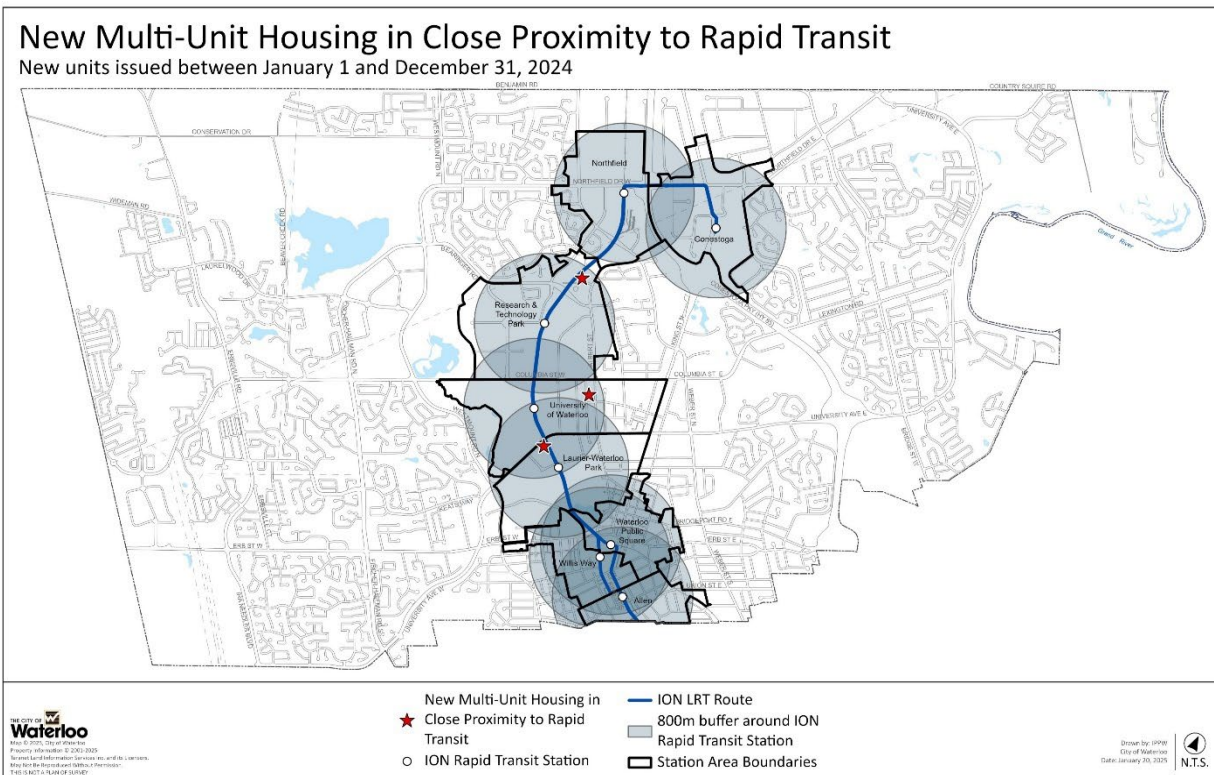
Source: City of Waterloo, Building Permits

OBSERVATIONS

- *An additional 6,659 households formed from 2016 to 2021 representing an increase of approximately 16 per cent.*

- *While the median household income was $94,000, for tenant household income it was $60,000 and for owner households it was $115,000.*

- *The average size of households decreased from 2.6 in 2016 to 2.5 in 2021.*

- *The majority of household sizes are within the one-person and two-person categories.*

- *The percentage of tenants versus owners' households remained relatively the same from 2026 to 2021.*

- *Within 800 metres from a transit station there are a greater number of rental households than ownership.*

- *The percentage of one-parent family is 16% with the majority being woman and with very low or low household income.*

3.2 Please provide context to the data above to situate it within your municipality. For example, is there a significant number of one-parent families? Are owner household incomes far surpassing tenant household incomes?

The median household income was $94,000 while for tenant household it was $60,000 and for owner households it was $115,000. This illustrates the limitations of household income for renters and the need for affordable rents.

The relationship between the percentage of tenants and owners' households has remained relatively the same from 2026 to 2021.

The percentage of one-parent family is 16% and of that number the majority are woman and would be very low or low household income. This would provide guidance on the existing and future housing needs and affordability matters.

The percentage of tenant households in subsidized housing of 6.7% seems low and may be influenced by the strong ownership market.


OBSERVATIONS

- *The median income for Waterloo is higher than municipalities located outside of the Greater Toronto Area (GTA) and less than municipalities located within the GTA*

- *While the median household income was $94,000, for tenant household income it was $60,000 and for owner households it was $115,000.*

- *The percentage of tenant households in subsidized housing of 6.7% is lower than Kitchener and Cambridge.*

- *The percentage of one-parent family is 16% and of that number the majority are woman with very low or low household income.*

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4.   Suppression of household formation (e.g., younger people living with their parents due to affordability pressures) and housing demand (e.g., "driving until you qualify") can both indicate strained local housing market conditions. Please provide any data or information that speaks to how suppression of the formation of new households and suppression of housing demand has impacted your community since 2016, and how projected formation patterns are expected to be impacted over the next 5 to 10 years. Please indicate methods used to determine household formation, such as calculating headship rates broken down by specific age estimates impacts.[1].

From Chart 11 (Percentage of 2021 households in core housing need by priority population), households maintained by an individual aged under 25 years did not have the highest proportion of households falling below any of the individual standards within core housing need.

From Table 3.3.2 (Private Households by Age of Primary Householder Maintainer) for ages 14 to 24 from 2016 to 20121 increased to 27 percent from 22.9 percent while the other age categories remained relatively the same or some decreased.

The approved public policy framework and the resultant development is transitioning from low-rise residential to mixed use residential development. In addition, the framework provides for infilling through Additional Residential Units and 'soft' density through Four Storey-Four residential units redevelopment.

Additional work needs to be done prior to the next Housing Needs Assessment to identify and determine the preferred approach to address future housing needs.

Distribution of Households by Households

Table 3.3.1 and Figure 4 compare 2016 with 2021 distribution of household-by-household types.

3.3.1 Distribution of Households by Household Type in Waterloo		
Household Type	**2016 (%)**	**2021 (%)**
TOTAL	**100%**	**100%**
One-census-family households without additional persons: Couple family without children	25.2	23.7
One-census-family households without additional persons: Couple family with children	41.2	28.0
One-census-family households without additional persons: One-parent family	*	7.5
Multigenerational households	*	2.4
Multiple-census-family households	1.6	0.4

3.3.1 Distribution of Households by Household Type in Waterloo		
Household Type	**2016 (%)**	**2021 (%)**
One-census-family households with additional persons	*	2.6
Non-census-family households of two or more persons	7.4	9.3
One-person households	24.6	26.0
Source: Statistics Canada, 2016 and 2021 Censuses of Population		

Figure 4 illustrates 2021 distribution of household-by-household type.

The tables and figures illustrate:

- Approximately 85% of households are one person households, one census family household without additional persons (couple family with no children), one census family household without additional persons (couple family with children) one census family household without additional persons (one parent family).

- From 2026 to 2021 the percentage of one person households, one census family households without additional persons (couple family with children) decreased from 41.2 % to 28%. Is this a consequence of the COVID pandemic and families sheltered together or an affordability matter.

- Multigenerational households have played a minimal role in housing needs.

- Future housing should address households with families and households with no families.

OBSERVATIONS
- *Approximately 85% of households are one person households, one census family household without additional persons (couple family with no children), one census family household without additional persons (couple family with children) one census family household without additional persons (one parent family).*

- *From 2026 to 2021 the percentage of one person households, one census family households without additional persons (couple family with children) decreased from 41.2 % to 28%.*

- *Multigenerational households have played a minimal role in current housing needs.*

Distribution of Households by Age of Primary Household

Table 3.3.2 and Figure 5 compare 2016 with 2021 private household by age of the primary household maintainer.

3.3.2 Private Households by age of Primary Household Maintainer, Waterloo				
Age of Primary Household Maintainer	2016 Count	2016 Rate (%)	2021 Count	2021 Rate (%)
TOTAL	40,380	100.0	47,040	100
15 to 24 years	3,320	8.2	4,460	10
25 to 34 years	5,925	14.7	8,145	17
35 to 44 years	6,595	16.3	7,525	16
45 to 54 years	8,585	21.3	8,325	18
55 to 64 years	7,335	18.2	8,270	18
65 to 74 years	4,900	12.1	5,835	12
75 to 84 years	2,690	6.7	3,220	7
85 years and over	1,035	2.6	1,250	3
Source: Statistics Canada, 2016 and 2021 Censuses of Population				

Figure 5 illustrates household maintainer by age.
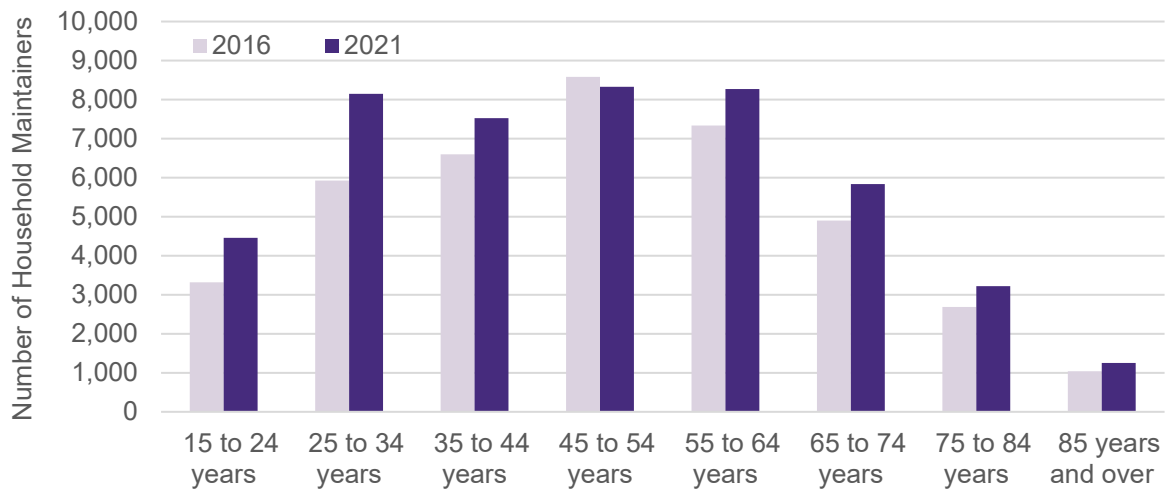
The table and figures illustrate:

- The percentage of all households maintained by age categories increased from 2016 to 2021 except age 45 to 54 which decreased.

- What was the cause for the decrease for household maintained by age category 55 to 64?

OBSERVATION

- ***The percentage of all household maintained by age categories increased from 2016 to 2021 except age 45 to 54 which decreased.***

Projected Households by Income Category

Table 3.3.3 and Chart 6 illustrate 2031 household projections by income category.

3.3.3 2031 Household Projections by Income Category			
HH Income Category	2021 HHs	Projected Gain/Loss of HHs by 2031	2031 Total HHs
TOTAL	**46,630**	**4,919**	**51,549**
Very Low Income	2,475	739	3,214

3.3.3 2031 Household Projections by Income Category			
HH Income Category	**2021 HHs**	**Projected Gain/Loss of HHs by 2031**	**2031 Total HHs**
Low Income	7,840	694	8,534
Moderate Income	9,245	839	10,084
Median Income	8,500	400	8,900
High Income	18,570	2,247	20,817
Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>			
Note: HH: "Household"			

Figure 6 illustrates 2031 household projections by income category.
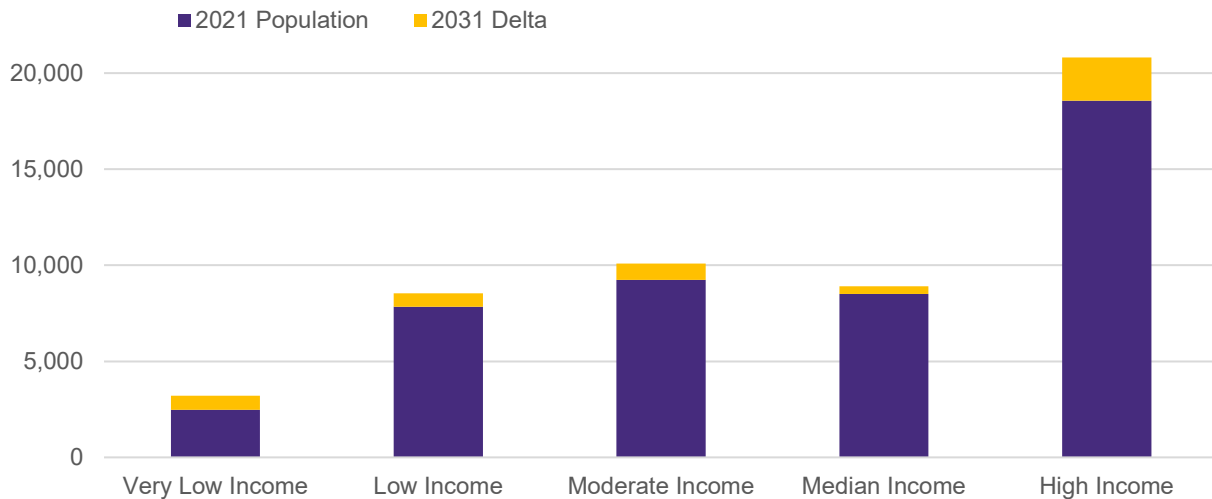
The table and figures illustrate:

- All income categories for households increased with the High Income demonstrating the largest increase of approximately 12%.

- High Income continues to comprise over 50% of the number of households in 2021.

- The public planning framework and housing should be directed to the Very Low to Medium Income.

Projected Household Size and Income Category

Table 3.3.3 illustrates 2031 projected household size and income category.

3.3.4 2031 Projected Households by Household Size and Income Category						
HH Income Category	1 Person	2 Person	3 Person	4 Person	5+ Person	TOTAL
TOTAL	13,740	17,557	8,164	7,745	4,349	51,555
Very Low Income	2,181	687	214	66	56	3,204
Low Income	4,897	2,722	461	311	134	8,525
Moderate Income	3,199	3,536	1,327	722	551	9,335
Median Income	2,222	4,146	1,607	1,032	659	9,666
High Income	1,241	6,466	4,555	5,614	2,949	20,825
Source: University of British Columbia - Housing Assessment Resource Tools (HART)						
Note: HH: "Household"						

The table illustrates:

- High Income Households comprise approximately 50% of the number of households and the majority of 2 to 5+ persons households.

- The Very Low Income Households are generally limited to one person households.

- The Low Income Households are generally one to two persons households.

- The Moderate Income Households are generally one to four person households.

- The income category and the number of persons in a household will influence the form and size of the residential dwellings.

OBSERVATIONS

- *High Income Households comprise approximately 50% of the number of households and the majority of 2 to 5+ persons households.*

- *Very Low Income Households are generally limited to one person households.*

- *Low Income Households are generally one to two persons households.*

- *Moderate Income Households are generally one to four person households.*

3.4 Economic Conditions

Over the last 40 years the city has been transforming from 'smokestack' industrial base to a 'high tech and innovation' industrial base. This is evidenced by the redevelopment to residential and mixed use sites of many former industries such as Seagram's Distilleries Labatt's Brewery and Canada Barrels and Kegs (Canbar). Education through campuses of the University of Waterloo, Wilfred Laurier University and College and insurance companies such as Manulife, Sun Life and Economical Insurance, remain strong employers within the city.

High Tech industries are now directed to the University of Waterloo David Johnson Research and Technology Park, Rim Park and the newest owned by the city - Generation Park.

The Region of Waterloo Public Health and Social Services offices, the City of Waterloo municipal offices and service centre are located within city.

Uptown Waterloo is a vibrant central core with a mix of commercial, office and retail and a Regional Shopping Mall - Conestoga where all are connected by public transit through the ION light rail system and GRT buses.

Table 3.4.1 illustrates economy and labour force.

3.4.1 Economy and Labour Force		
Characteristic	**Data**	**Value**
Number of workers in the Labour Force	Total	65,955
Number of workers by industry (Top 10 only)	Professional, scientific and technical services	8,940
	Educational services	8,770
	Manufacturing	6,825
	Retail trade	6,510
	Health care and social assistance	5,670
	Finance and insurance	5,055
	Accommodation and food services	3,420
	Construction	3,180
	Information and cultural industries	2,565
	Administrative and support, waste management and remediation services	2,390
Unemployment rate and participation rate (Percent)	Unemployment rate	12
	Participation rate	65.4
All classes of workers (Number)	Total	64,035
Employees (Number)	Total	56,260
Permanent position (Number)	Total	45,215

3.4.1 Economy and Labour Force		
Characteristic	**Data**	**Value**
Temporary position (Number)	Total	11,040
Fixed term (1 year or more, Number)	Total	3,580
Casual, seasonal or short-term position (less than 1 year, Number)	Total	7,465
Self-employed (Number)	Total	7,775
Number of commuters by commuting destination	Within census subdivision	13,560
	To different census subdivision	13,045
	To different census division	3,380
	To another province/territory	80
Number of commuters by main mode of commuting for the employed labour force with a usual place of work or no fixed workplace address	Car, truck or van	28,810
	Public transit	2,245
	Walked	1,910
	Bicycle	460
	Other method	920
Source: Template Document		

Table 3.4.1 (Economy and Labour Force) illustrates:

- Identifies the top 6 employer categories as professional, scientific and technical services; educational services: manufacturing; retail trade; health care and social assistance and finance and insurance.

- Given the nature of the key employer categories, a significant portion of the workforce are permanent employee.

- Approximately 45% commute within the census subdivision utilizing the road network, pedestrian and cycling routes and public transit given the employment opportunities that are located with the city.

- Approximately 43% commute to a different census subdivision given the proximity of municipalities, the road network and public transit given the employment opportunities that are located within the Region of Waterloo and in particular the cities of Cambridge and Kitchener.

- Approximately 11% commute to a different census division either utilizing provincial highways or public transit (Go Transit or Via Rail) given the proximity of the Greater Toronto Area opportunities.

- It is anticipated that pedestrian and cycling systems are improved and developments within Major Transit Station are increased so that the utilization of the ION/GRT would be greater.

OBSERVATIONS

- ***There are six key employers.***

- ***A significant portion of the workforce is permanent.***

- ***Approximately 45% of the workforce commute within the census subdivision.***

- ***Approximately 43% of the workforce commute to a different census subdivision.***

- ***Approximately 11% of the workforce commute to a different census division.***

3.5 How have labour conditions (e.g., prevalence of precarious employment, temporary or seasonal workforces, reliance on sectors such as natural resources, agriculture, tourism, etc.) in your community impacted housing supply and demand?

Table 3.5.1 illustrates class of workers including job permanency comparing 2016 to 2021.

3.5.1 Class of Worker including Job Permanency												
Labour force aged 15 years and over by class of worker including job permanency – 25% sample data	**2016**						**2021**					
	Total Count	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**	**Total Count**	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**
TOTAL	57,270	30,260	27,010	100.0	100.0	100.0	65,955	35,530	30,425	100.0	100.0	100.0
Class of worker - not applicable	1,245	620	630	2.2	2.0	2.3	1,925	925	1,000	2.9	2.6	3.3
All classes of workers	56,030	29,640	26,385	97.8	98.0	97.7	64,035	34,605	29,430	97.1	97.4	96.7
Employee	49,950	25,970	23,980	87.2	85.8	88.8	56,260	29,875	26,385	85.3	84.1	86.7
Permanent position	*	*	*	*	*	*	45,215	24,385	20,825	68.6	68.6	68.4
Temporary position	*	*	*	*	*	*	11,040	5,490	5,555	16.7	15.5	18.3
Fixed term (1 year or more)	*	*	*	*	*	*	3,580	1,730	1,855	5.4	4.9	6.1
Casual, seasonal or short-term position (less than 1 year)	*	*		*	*	*	7,465	3,765	3,700	11.3	10.6	12.2
Self-employed	6,075	3,670	2,410	10.6	12.1	8.9	7,775	4,725	3,040	11.8	13.3	10.0
Source: Statistics Canada, 2016 and 2021 Census of Population												

Table 3.5.1 (Class of Worker including Job Permanency) indicates:

- From 2016 to 2021 there was minimal difference in the percentages of men versus woman working.

- In 2021 permanent employed positions was the highest category of employment at 68.6% with little difference between men and women.

- In 2021 for Temporary positions, Fixed Term (1 year or more) and Casual, seasonal or short term positions (less than a year), woman comprised a higher percentage than men.

Table 3.5.2 illustrates place of work status comparing 2016 to 2021.

3.5.2 Place of Work Status												
Place of work status for the employed labour force aged 15 years and over – 25% sample data	**2016**						**2021**					
	Total Count	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**	**Total Count**	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**
TOTAL	53,325	28,235	25,090	100.0	100.0	100.0	58,050	31,860	26,190	100.0	100.0	100.0
Worked at home	4,115	2,035	2,080	7.7	7.2	8.3	23,380	12,230	11,150	40.3	38.4	42.6
Worked outside Canada	375	265	110	0.7	0.9	0.4	325	225	105	0.6	0.7	0.4
No fixed workplace address	4,025	2,865	1,160	7.5	10.1	4.6	4,275	3,090	1,180	7.4	9.7	4.5
Usual place of work	44,810	23,065	21,745	84.0	81.7	86.7	30,065	16,315	13,750	51.8	51.2	52.5
Source: Statistics Canada, 2016 and 2021 Census of Population												

Table 3.5.2 (Place of Work Status) indicates:

- From 2016 to 2021 there was a significant shift for working from home (7.7% to 40.3%) and for the usual place of work (84% to 51.8%).

Table 3.5.3 illustrates industry sectors comparing 2016 to 2021.

3.5.3 Industry Sectors – North American Industry Classification System (NAICS) 2017												
Labour force aged 15 years and over by industry - Sectors - North American Industry Classification System (NAICS) 2017 - 25% sample data	2016						2021					
	Total Count	Men+ Count	Women+ Count	Total Rate (%)	Men+ Rate (%)	Women+ Rate (%)	Total Count	Men+ Count	Women+ Count	Total Rate (%)	Men+ Rate (%)	Women+ Rate (%)
TOTAL	57,270	30,260	27,015	100	100	100	65,955	35,530	30,425	100	100	100
Industry - not applicable 190	1,250	615	630	2.2	2	2.3	1,925	925	1,000	2.9	2.6	3.3
All industries 191	56,030	29,645	26,385	97.8	98	97.7	64,035	34,605	29,430	97.1	97.4	96.7
11 Agriculture, forestry, fishing and hunting	260	155	110	0.5	0.5	0.4	370	230	140	0.6	0.6	0.5
21 Mining, quarrying, and oil and gas extraction	60	55	0	0.1	0.2	0	65	50	15	0.1	0.1	0
22 Utilities	230	195	35	0.4	0.6	0.1	290	225	60	0.4	0.6	0.2
23 Construction	2,510	2,140	375	4.4	7.1	1.4	3,180	2,630	555	4.8	7.4	1.8
31-33 Manufacturing	5,930	4,215	1,715	10.4	13.9	6.3	6,825	4,840	1,985	10.3	13.6	6.5
41 Wholesale trade	1,935	1,425	515	3.4	4.7	1.9	1,900	1,285	615	2.9	3.6	2
44-45 Retail trade	5,635	2,865	2,770	9.8	9.5	10.3	6,510	3,355	3,155	9.9	9.4	10.4
48-49 Transportation and warehousing	1,290	1,025	270	2.3	3.4	1	1,915	1,480	440	2.9	4.2	1.4

3.5.3 Industry Sectors – North American Industry Classification System (NAICS) 2017												
Labour force aged 15 years and over by industry - Sectors - North American Industry Classification System (NAICS) 2017 - 25% sample data	**2016**						**2021**					
	Total Count	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**	**Total Count**	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**
51 Information and cultural industries	2,330	1,450	885	4.1	4.8	3.3	2,565	1,570	990	3.9	4.4	3.3
52 Finance and insurance	4,840	2,010	2,830	8.5	6.6	10.5	5,055	2,260	2,790	7.7	6.4	9.2
53 Real estate and rental and leasing	1,005	510	495	1.8	1.7	1.8	1,065	590	480	1.6	1.7	1.6
54 Professional, scientific and technical services	5,985	3,925	2,060	10.5	13	7.6	8,940	5,760	3,180	13.6	16.2	10.5
55 Management of companies and enterprises	85	50	30	0.1	0.2	0.1	340	165	180	0.5	0.5	0.6
56 Administrative and support, waste management and remediation services	1,935	1,200	740	3.4	4	2.7	2,390	1,400	990	3.6	3.9	3.3
61 Educational services	8,260	3,445	4,815	14.4	11.4	17.8	8,770	3,615	5,160	13.3	10.2	17
62 Health care and social assistance	4,920	980	3,935	8.6	3.2	14.6	5,670	1,295	4,375	8.6	3.6	14.4
71 Arts, entertainment and recreation	1,005	480	525	1.8	1.6	1.9	935	460	480	1.4	1.3	1.6
72 Accommodation and food services	3,965	1,635	2,325	6.9	5.4	8.6	3,420	1,620	1,800	5.2	4.6	5.9
81 Other services (except public administration)	1,965	925	1,040	3.4	3.1	3.8	1,920	850	1,070	2.9	2.4	3.5
91 Public administration	1,875	960	920	3.3	3.2	3.4	1,900	935	960	2.9	2.6	3.2

3.5.3 Industry Sectors – North American Industry Classification System (NAICS) 2017												
Labour force aged 15 years and over by industry - Sectors - North American Industry Classification System (NAICS) 2017 - 25% sample data	**2016**						**2021**					
	Total Count	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**	**Total Count**	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**
Source: Statistics Canada, 2016 and 2021 Censuses of Population												

Table 3.5.3 (Industry Sectors -North American Classifications System (NAICS) 2017) illustrates:

- Minimal changes to percentages within sectors between men and women.

Table 3.5.4, Figures 6 and 7 illustrate labour force status comparing 2016 to 2021.

3.5.4 Labour Force Status												
Population aged 15 years and over by labour force status - 25% sample data	**2016**						**2021**					
	Total Count	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**	**Total Count**	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**
TOTAL	**86,985**	**43,280**	**43,710**	*	*	*	**100,820**	**50,700**	**50,120**	*	*	*
In the labour force	57,275	30,260	27,010	*	*	*	65,955	35,530	30,425	*	*	*
Employed	53,325	28,230	25,090	*	*	*	58,050	31,860	26,190	*	*	*
Unemployed	3,945	2,025	1,920	*	*	*	7,905	3,670	4,235	*	*	*
Not in the labour force	29,710	13,0	16,700	*	*	*	34,865	15,170	19,695	*	*	*
Participation rate	*	*	*	65.8	69.9	61.8	*	*	*	65.4	70.1	60.7

3.5.4 Labour Force Status												
Population aged 15 years and over by labour force status - 25% sample data	**2016**						**2021**					
	Total Count	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**	**Total Count**	**Men+ Count**	**Women+ Count**	**Total Rate (%)**	**Men+ Rate (%)**	**Women+ Rate (%)**
Employment rate	*	*	*	61.3	65.2	57.4	*	*	*	57.6	62.8	52.3
Unemployment rate	*	*	*	6.9	6.7	7.1	*	*	*	12.0	10.3	13.9
Source: Statistics Canada, 2016 and 2021 Censuses of Population												

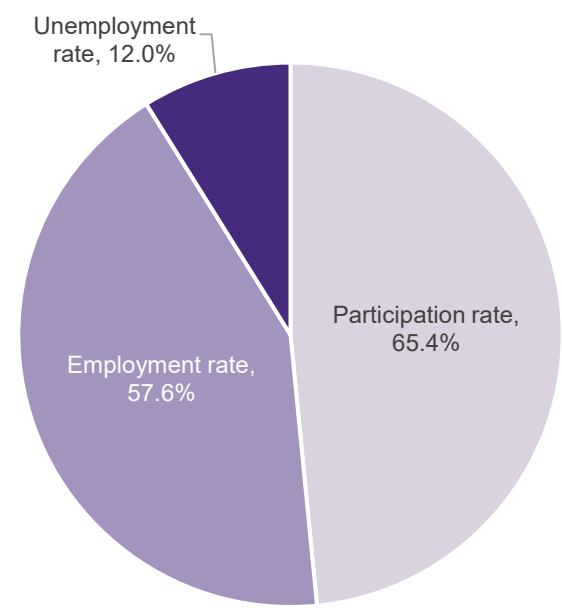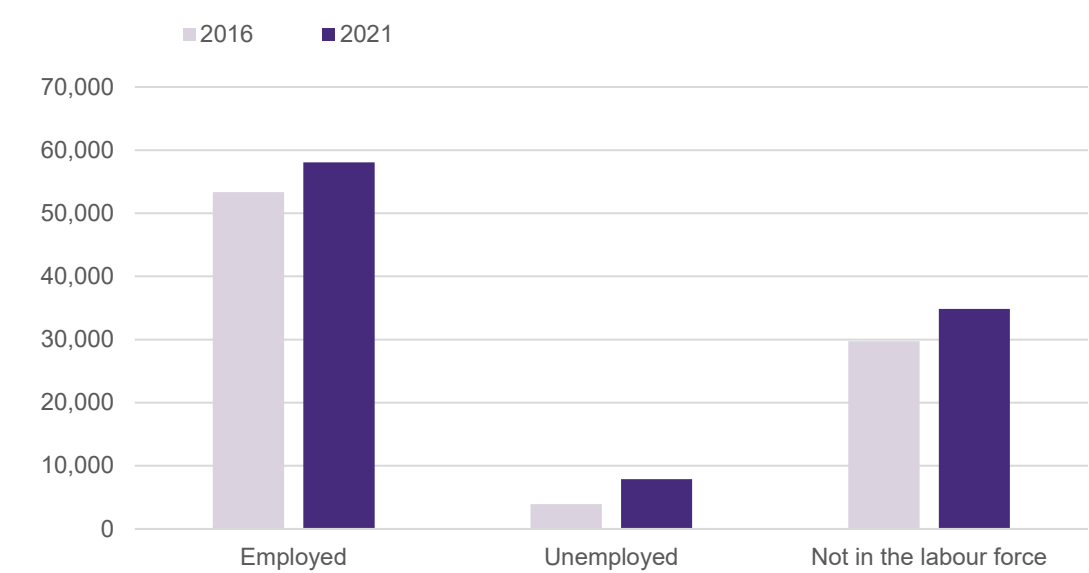Figures 6 and 7 illustrate labour force status comparing 2016 to 20121.

Table 3.5.4 (Labour Force Status) and Figures 6 and 7 illustrate:

- From 2016 to 2021 employment percentages decreased, and unemployment percentages increased, and not in the labour force increased, the unemployment rate affecting both men and woman, with woman more significantly more.

The form of housing and affordability levels are directly impacted by labour conditions within a community. This relationship is not unique to Waterloo. Housing demand within a community is impacted by several factors including commuting trends, employment and economic characteristics.

Working from Home or Remotely

From 2016 to 2021 one of the key drivers of labour conditions was COVID Pandemic and the mandated restrictions. This is evidenced by the significant increase in people working from home and not in their usual place of work as demonstrated in Table 3.5.2. The working remote model no longer required the worker to be located in the same community as their work or for a reasonable commute distance. You were no longer required to live where you work.

Working from home is evolving to many different hybrid models, the working from home model has residents rethinking their space and housing needs including location and utilization of space. Working from the dining room table has moved to separate office spaces and may involve multiple spaces to meet all family needs. If current dwellings cannot meet their needs, then relocation may be considered which creates additional housing demands. However, not all can afford to move and upgrade housing.

Commuting

Table 3.5.1 demonstrates approximately 88% commute within the city or the region and approximately 11 % outside of the area. Potentially due to differing work from home or remote practices, there is potential for greater mobility and thus demand for housing for location size and form, which may create new housing demands. Potentially, given proximity to the GTA, the city may be better meet the 'drive to you qualify' perspective which would put additional pressure on housing.

Stability

Tables 3.5.3 and 3.5.4 demonstrate that the majority of employment is within permanent status and within more stable sectors such as Finance and Insurance; Professional, scientific and technical services, Healthcare and social services etc. which provides greater certainty and better paying employment which supports greater housing choices.

University and College Enrollment by Institution (Fall 2024)

Post secondary education plays a significant role in the community and with housing supply and need. Table 3.5.5 outlines as of Fall 2024 the number of students enrolled at each institution, commuters, co-op work term etc, and in residence.

3.5.5 University and College Enrollment by Institution (Fall 2024)				
	Conestoga	Waterloo	Laurier	Total
Full-time Local Enrolment	28,600	38,800	16,400	83,800
Commuters, co-op work term, etc.	7,500	7,400	700	15,600
Resident in Region	21,100	31,400	15,700	68,200
Source: Region of Waterloo, "2024 Year-end Population and Household Estimates for Waterloo Region Report"				

OBSERVATIONS

- ***From 2016 to 2021 there was minimal difference in the percentages of men versus woman working.***

- ***The majority of employment is permanent in nature.***

- ***The majority of employment is within permanent status and within more stable sectors.***

- ***In 2021 for Temporary positions, Fixed Term (1 year or more) and Casual, seasonal or short term positions (less than a year), woman comprised a higher percentage than men.***

- ***From 2016 to 2021 there was a significant shift for working from home (7.7% to 40.3%) and for the usual place of work (84% to 51.8%).***

- ***From 2016 to 2021 less people were working, more people were unemployed and stopped working.***

- ***While both men and women were both impacted by the unemployment rate, however, woman were more significantly impacted.***

- ***Approximately 88% commute within the city or the region and approximately 11 % outside of the area.***

- ***University and College students have a significant impact on housing supply and demand.***

3.6 Households in Core Housing Need

A household is considered to be in core housing need if it meets two criteria:

- A household is below one or more of the national adequacy, suitability and affordability standards; and,
- The household would have to spend 30% or more of its before-tax household income to access local housing that meets all three standards.

Housing is considered to be affordable when housing costs less than 30% of before-tax household income. Housing is considered to be suitable when there are enough bedrooms for the size and make-up of the household. Housing is considered to be adequate when it is not in need of major repairs. Determining the percentage of core housing need would facilitate comparison with forecasts of population growth and household formation, in turn enabling more accurate projection of anticipated housing needs broken down by different factors such as income, household size and priority population, as explained below. It is important to note that official measures of those in core housing need exclude key groups, including those experiencing homelessness, students living independently of their guardians, people living in congregate housing, and migrant farm workers. This means that core housing need figures may underestimate overall housing need. Due to this, communities should also strive to include as much information as possible about these groups in the Priority Groups section below, in order to provide a comprehensive picture of who is affected by core housing need.

Please use the following section to insert the following Housing Assessment Resource Tools Data Tables (Housing Needs Assessment Tool | Housing Assessment Resource Project)

Income Categories and Affordable Shelter Costs:

Table 3.6.1 illustrates income categories and affordable shelter costs.

3.6.1 Income Categories and Affordable Shelter Costs			
Income Category	**Proportion of HHs (%)**	**Annual HH Income ($)**	**Affordable Shelter Cost (2020 CAD$)**
Area Median Household Income	*	95,000	2,375
Very Low Income (20% or under of AMHI)	2.08	≤ 19,000	≤ 475

3.6.1 Income Categories and Affordable Shelter Costs			
Income Category	Proportion of HHs (%)	Annual HH Income ($)	Affordable Shelter Cost (2020 CAD$)
Low Income (21% to 50% of AMHI)	16.88	19,000 - 47,500	475 - 1,188
Moderate Income (51% to 80% of AMHI)	18.93	47,500 - 76,000	1,188 - 1,900
Median Income (81% to 120% of AMHI)	20.64	76,000 - 114,000	1,900 - 2,850
High Income (121% and more of AMHI)	41.48	≥ 114,001	≥ 2,851
Source: University of British Columbia - Housing Assessment Resource Tools (HART)			
Note: HH: "Household"			

Table 3.6.1 illustrates that for 2020 the High Income is approximately 41% of household income above the Median Income of $76,000 to $114,000 while the Moderate Income, Low Income and Very Low Income are approximately 59% of household income below the Median Income of $76,000 to $114,000.

The 2020 Median Affordable Sheter Cost is $1,900 - $2,850, where approximately 59% of Households Income is less than the Median Affordable Shelter Cost.

Percentage of Households in Core Housing Need by Income Category

Table 3.6.2a illustrates percentage of 2016 households in Core Housing Need, by income category.

3.6.2a Percentage of Households in Core Housing Need, by Income Category, 2016	
Income Category	Proportion of HHs (%)
Very low income ($415)	56.12
Low income ($1,038)	40.63
Moderate income ($1,660)	4.25
Median Income ($2,490)	*

3.6.2a Percentage of Households in Core Housing Need, by Income Category, 2016	
Income Category	**Proportion of HHs (%)**
High Income (>$2.490)	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)	
Note: HH: "Household"	

Table 3.6.2a illustrates that within Core Housing Needs that approximately 97% of Household Income is $415 - $1,038.

Table 3.6.2b illustrates percentage of 2016 households in core housing need, by income category.

3.6.2b Percentage of HHs in Core Housing Need, by Income Category, 2021	
Income Category	**Proportion of HHs (%)**
Very low income ($475)	51.61
Low income ($1,187.50)	37.66
Moderate income ($1,900)	3.07
Median Income ($2,850)	*
High Income (>$2.850)	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)	
Note: HH: "Household"	

Table 3.6.2b illustrates that for 2021 approximately 89% of Households in Core Housing that household income is between $475 - $1,187.

Figure 8 illustrates the percentage of households in core housing need, by income category and comparing 2016 to 2021.
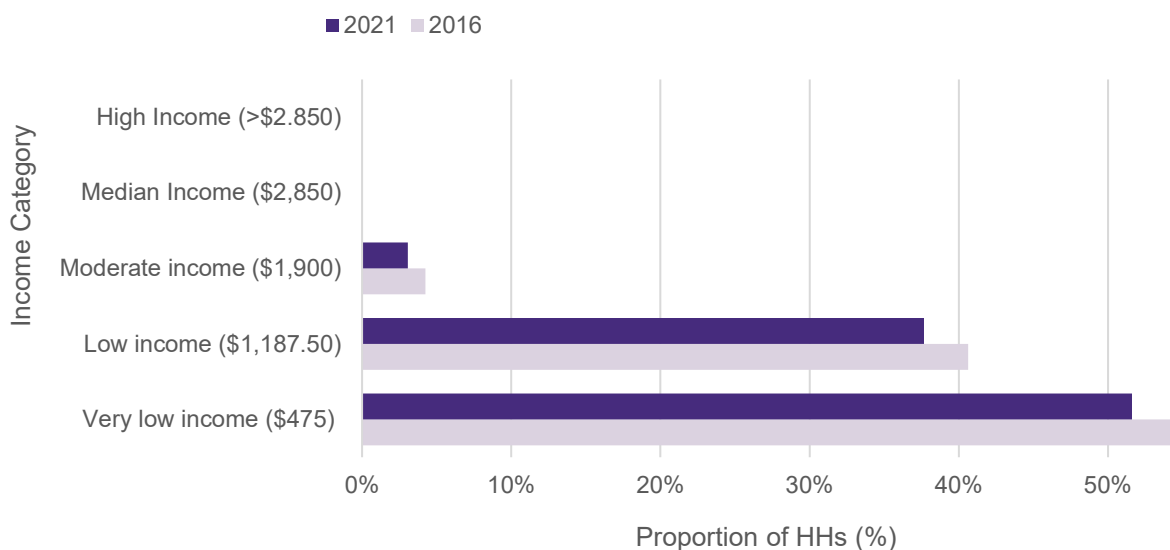
Figure 8 demonstrates that there is a reduction of approximately 8% of Households in Core Housing from 2016 to 2021.

Percentage of Households in Core Housing Need by Income Category and Household Size

Table 3.6.3a illustrates the percentage of 2016 households in core housing needs, by income category and household size.

3.6.3a Percentage of HHs in Core Housing Need, by Income Category and HH Size, 2016					
Income Category	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5+ Person**
Very low income ($415)	78.2%	16.54%	5.26%	*	*
Low income ($1,038)	44.36%	27.52%	14.06%	9.31%	4.75%
Moderate income ($1,660)	*	*	7.14%	26.79%	66.07%
Median Income ($2,490)	*	*	*	*	*
High Income (>$2.490)	*	*	*	*	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)					
Note: HH: "Household"					

The majority of 2016 Household size in Core Housing Needs and Very low income are 1 person (78.2%) with some 2 person (16.54%), limited 3 person (5.25%) with no 4 or more persons household.

The majority of 2016 Household size in Core Housing Needs and Low income are 1 person (44.36%) with 2 person (27.52%), with 3 person (14.06%), with 4 person (9.3%) and with 5 person (4.75%) household.

The majority of 2016 Household size in Core Housing Needs and Moderate income are 5 person (66.07%) with 4 person (26.79%), with 3 person (7.14%), with no 1 to 2 person household.

Table 3.6.3b illustrates the percentage of 2021 households in core housing needs, by income category and household size.

3.6.3b Percentage of HHs in Core Housing Need, by Income Category and HH Size, 2021					
Income Category	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5+ Person**
Very low income ($475)	81.05%	14.74%	4.21%	*	*
Low income ($1,187.50)	47.45%	32.86%	11.42%	5.98%	2.28%
Moderate income ($1,900)	*	7.69%	21.15%	38.46%	32.69%
Median Income ($2,850)	*	*	*	*	*
High Income (>$2.850)	*	*	*	*	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)					
Note: HH: "Household"					

Figure 9 illustrates the percentage of 2021 households in core housing need by income category.
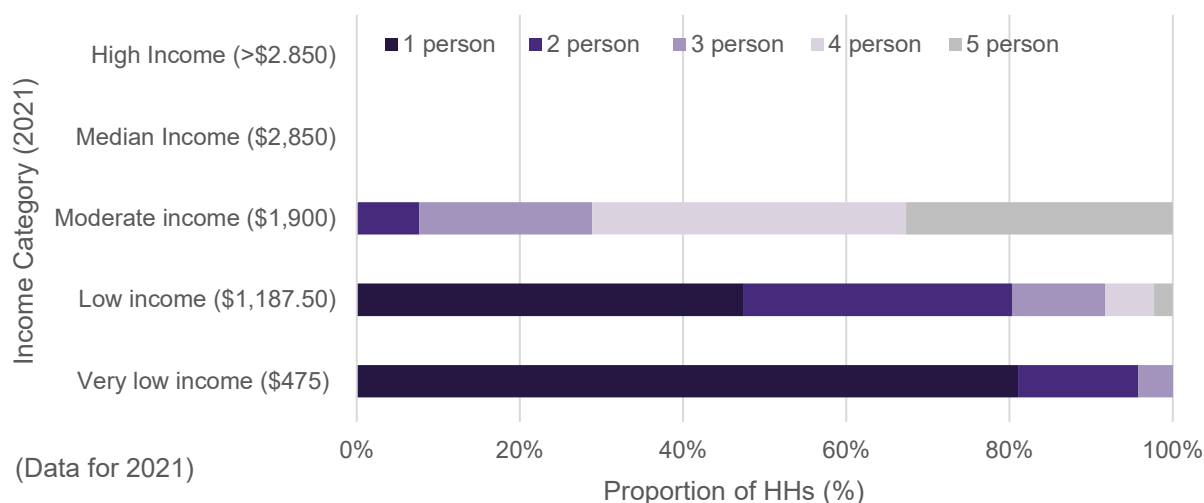

(Data for 2021)

The majority of 2021Household size in Core Housing Needs and Very low income are 1 person (81.05%) with some 2 person (14.74%), limited 3 person (4.21%) with none 4 or more person households.

The majority of 2021 Household size in Core Housing Needs and Low income are 1 person (47.45%) with 2 person (32.86%), with 3 person (11.42%), with 4 person (5.98%) and with 5 person (2.28%) households.

The majority of 2021 Household size in Core Housing Needs and Moderate income are 5 people (32.69%) with 4 person (38.46%), with 3 person (21.15%), with 2 person (7.69%) and no 4 or more person households.

OBSERVATIONS

- *From 2016 to 2021 the majority of Household size in Core Housing Need for Very Low Income remained 1 person households with some 2 person and some 3 person household.*

- *From 2016 to 2021 the majority of Household size in Core Housing Need for Low Income remained 1 person households with some 2 person and some 3 person household.*

- *From 2016 to 2021 the majority of Household size in Core Housing Need for Moderate Income remained 4 or 5 person households with some 3 person, limited 2 person and no 1 person household. Noting that the 5+ households significantly decreased from 66.07% (2016) to 32.69% (2021).*

Deficit of Housing Options for Community

Table 3.6.4a illustrates the 2016 deficit of housing options in community.

3.6.4a Deficit of Housing Options in the Community, 2016						
Income Category	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5+ Person**	**TOTAL**
TOTAL	**1,640**	**805**	**410**	**310**	**305**	**3,470**
Very Low Income ($415)	520	110	35	*	*	**665**
Low Income ($1038)	1,120	695	355	235	120	**2,525**
Moderate Income ($1660)	*	*	20	75	185	**280**
Median Income ($2490)	*	*	*	*	*	*
High Income (> $2490)	*	*	*	*	*	*
Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>						

Overall, the majority of the housing deficit is approximately 70% of the 1 and 2 person housing with approximately 30% of the 3, 4 and 5+ person housing.

The Very Low Income category includes 1, 2 and 3 person housing with approximately 78% of the 1 person housing.

The Low Income category includes all housing options with approximately 72% of the 1 and 2 person housing.

The Moderate Income Category includes 3, 4 and 5+ person housing with approximately 66% of the 5+ person housing.

Table 3.6.4b illustrates the 2021 deficit of housing options in the community.

3.6.4b Deficit of Housing Options in the Community, 2021						
Income Category	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5+ Person**	**TOTAL**
TOTAL	**1,735**	**1,025**	**400**	**270**	**150**	**3,580**
Very Low Income ($475)	385	70	20	*	*	**475**

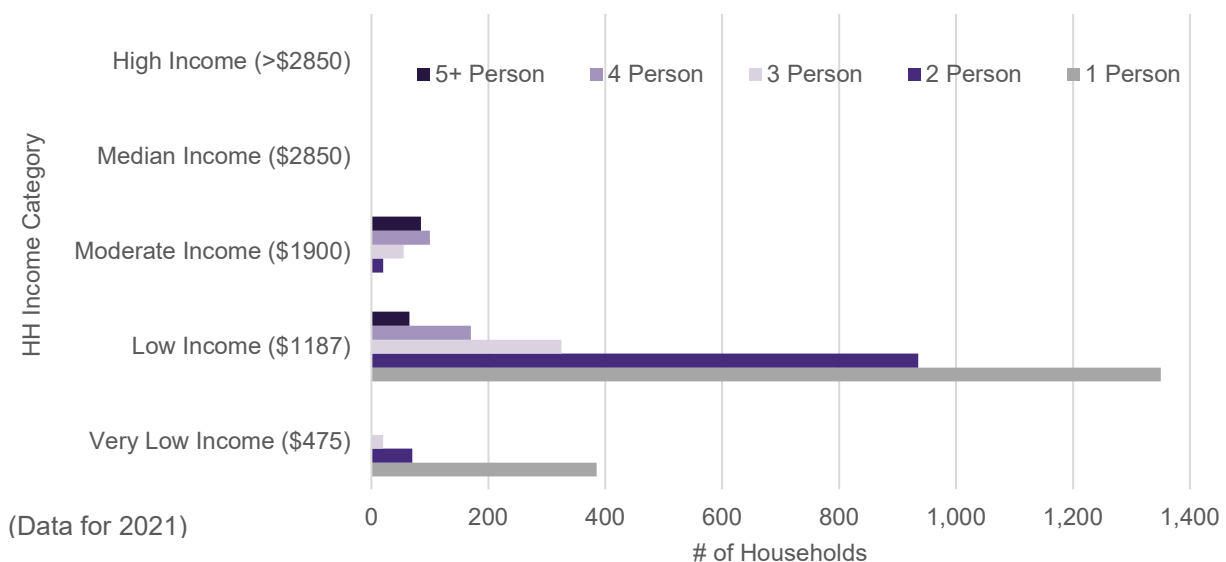| 3.6.4b Deficit of Housing Options in the Community, 2021						
Income Category	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5+ Person**	**TOTAL**
Low Income ($1187)	1,350	935	325	170	65	**2,845**
Moderate Income ($1900)	*	20	55	100	85	**260**
Median Income ($2850)	*	*	*	*	*	*
High Income (> $2850)	*	*	*	*	*	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)						

Overall, the majority of the housing deficit is approximately 77% of the 1 and 2 person housing with approximately 23% of the 3, 4 and 5+ person housing.

The Very Low Income category includes 1, 2 and 3 person housing with approximately 81% of the 1 person housing.

The Low Income category still includes all housing options with approximately 80% of the 1 and 2 person housing.

The Moderate Income Category now includes 2 person in addition to 3, 4 and 5+ person housing with approximately 38% of the 4 person housing and approximately 33% of the 5+ person housing.

Figure 10 illustrates the affordable housing deficit comparing 2016 to 2021.

Existing Housing Deficit - Number of Bedrooms and Maximum Cost

Table 3.6.5a illustrates the 2016 number of homes by number of bedrooms and maximum cost required to satisfy the existing deficit.

3.6.5a Total number of Homes by number of Bedrooms and Maximum Cost required to satisfy the existing deficit, 2016						
Maximum affordable cost	1 Bed Homes	2 Bed Homes	3 Bed Homes	4 Bed Homes	5 Bed Homes	TOTAL
TOTAL	2,020	590	390	270	85	3,355
$415	570	85	*	*	*	655
$1038	1,450	505	355	145	15	2,470
$1660	*	*	35	125	70	230
$2490	*	*	*	*	*	*
> $2490	*	*	*	*	*	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)						

To satisfy the existing deficit, approximately 60% should be 1 bed homes, 18% 2 bed homes, 12% 3 bed homes, 8% 4 bed homes and 2% 5+ bed homes.

To satisfy the existing deficit, approximately 87% should have a maximum affordable cost of $415 for 1 bed homes and 13% should have a maximum affordable cost of $415 for 2 bed homes.

To satisfy the existing deficit, approximately 59% should have a maximum affordable cost of $1,038 for 1 bed homes, 20% should have a maximum affordable cost of $1,308 for 2 bed homes, 14% should have a maximum affordable cost of $1,308 for 3 bed homes, 6% should have a maximum affordable cost of $1,308 for 4 bed homes and 1% should have a maximum affordable cost of $1,308 for 5+ bed homes.

To satisfy the existing deficit, approximately 15% should have a maximum affordable cost of $1,660 for 3 bed homes, 55% should have a maximum affordable cost of $1,660 for 4 bed homes and 30% should have a maximum affordable cost of $1,660 for 5+ bed homes.

Table 3.6.5b illustrates the 2021 number of homes by number of bedrooms and maximum cost required to satisfy the existing deficit.

3.6.5b Total number of Homes by number of Bedrooms and Maximum Cost required to satisfy the existing deficit, 2021						
Maximum affordable cost	1 Bed Homes	2 Bed Homes	3 Bed Homes	4 Bed Homes	5 Bed Homes	TOTAL
TOTAL	2,250	655	375	180	0	3,460
$475	420	25	*	*	*	445
$1187	1,830	610	270	95	*	2,805
$1900	*	20	105	85	*	210
$2850	*	*	*	*	*	*
> $2850	*	*	*	*	*	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)						

To satisfy the existing deficit, approximately 65% should be 1 bed homes, 19% 2 bed homes, 11% 3 bed homes, and 5% 4 bed homes.

To satisfy the existing deficit, approximately 94% should have a maximum affordable cost of $475 for 1 bed homes and 6% should have a maximum affordable cost of $475 for 2 bed homes.

To satisfy the existing deficit, approximately 65% should have a maximum affordable cost of $1,187 for 1 bed homes, 22% should have a maximum affordable cost of $1,187 for 2 bed homes, 10% should have a maximum affordable cost of $1,187 for 3 bed homes, and 3% should have a maximum affordable cost of $1,187 for 4 bed homes.

To satisfy the existing deficit, approximately 10% should have a maximum affordable cost of $1,900 for 2 bed homes, 50% should have a maximum affordable cost of $1,900 for 3 bed homes, and 40% should have a maximum affordable cost of $1,900 for 4 bed homes.

OBSERVATIONS

- From 2016 to 2021, there is an increase of approximately 5% for the number of required 1 bed homes.

- From 20216 to 2021 5+ bed homes are not required at any maximum affordable cost.

- From 2016 to 2021, at the $475 maximum affordable cost there is an increase of approximately 7% requirement for 1 bed home.

- From 2016 to 2021, at the $1,187 maximum affordable cost there is an increase of approximately 6% requirement for 1 bed home.

- From 2016 to 2021, at the $1,900 maximum affordable cost there is an approximately 10% increase for 2 bed home, an approximately 35% increase in 3 bed home and an approximately 10% increase requirement for 4 bed home.

Affordable Housing Deficit - Income Category

Table 3.6.6 illustrates the 2021 affordable housing deficit.

3.6.6 2021 Affordable Housing Deficit						
Income Category	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5+ Person**	**TOTAL**
TOTAL	**1,735**	**1,025**	**400**	**270**	**150**	**3,580**
Very Low Income ($475)	385	70	20	0	0	**475**
Low Income ($1187)	1,350	935	325	170	65	**2,845**
Moderate Income ($1900)	0	20	55	100	85	**260**

3.6.6 2021 Affordable Housing Deficit						
Income Category	1 Person	2 Person	3 Person	4 Person	5+ Person	TOTAL
Median Income ($2850)	0	0	0	0	0	**0**
High Income (>$2850)	0	0	0	0	0	**0**
Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>						

In 2021, approximately 48% are 1 person, 29% are 2 person, 11% are 3 person, 8% are 4 person and 4% are 5+ person.

In 2021, approximately 28% are 1 person Very Low Income and 72% are Low Income.

In 2021, approximately 7% are 2 person Very Low Income, 92% are Low Income and 1% are Moderate Income.

In 2021, approximately 5% are 3 person Very Low Income, 81% are Low Income and 14% are Moderate Income.

In 2021, approximately 63% are 4 person Low Income and 37% are Moderate Income.

In 2021, approximately 43% are 5+ person Low Income and 57% are Moderate Income.

OBSERVATIONS

- *For Very Low Income the largest housing deficit is for 1 person.*

- *For Low Income the largest housing deficit is for 1 person and then 2 person.*

- *For Moderate Income the largest housing deficit is for 4 person and then 5+ person.*

Households in Core Housing Need

Table 3.6.7 illustrates the households in core housing need.

.3.6.7 Households in Core Housing Need		
Characteristic	Data	Value
Affordability – Owner and tenant households spending 30% or more on shelter costs (# and %)	Total	11215
	Percentage	24.1

.3.6.7 Households in Core Housing Need		
Characteristic	**Data**	**Value**
Affordability – Owner and tenant households spending 30% or more on shelter costs and in core need (# and %)	Total	3380
	Percentage	7.6
Affordability – Tenant households spending 30% or more of income on shelter costs (# and %)	Total	7310
	Percentage	40.9
Affordability – Tenant households spending 30% or more of income on shelter costs and in core need (# and %)	Total	2295
	Percentage	5.1
Affordability – Owner households spending 30% or more of income on shelter costs (# and %)	Total	3905
	Percentage	13.6
Affordability – Owner households spending 30% or more of income on shelter costs and in core need (# and %)	Total	1080
	Percentage	2.4
Adequacy – Owner and tenant households in dwellings requiring major repair (# and %)	Total	1735
	Percentage	3.7
Adequacy – Owner and tenant households in dwellings requiring major repair and in core need (# and %)	Total	310
	Percentage	0.7
Adequacy – Tenant households in dwellings requiring major repairs (# and %)	Total	935
	Percentage	5.1
Adequacy – Tenant households in dwellings requiring major repairs and in core need (# and %)	Total	230
	Percentage	0.5
Adequacy – Owner households in dwellings requiring major repairs (# and %)	Total	795
	Percentage	2.8
Adequacy – Owner households in dwellings requiring major repairs and in core need (# and %)	Total	75
	Percentage	0.2

.3.6.7 Households in Core Housing Need		
Characteristic	**Data**	**Value**
Suitability – Owner and tenant households in unsuitable dwellings (# and %)	Total	2600
	Percentage	5.5
Suitability – Owner and tenant households in unsuitable dwellings and in core need (# and %)	Total	290
	Percentage	0.7
Suitability – Tenant households in unsuitable dwellings (# and %)	Total	1895
	Percentage	10.4
Suitability – Tenant households in unsuitable dwellings and in core need (# and %)	Total	240
	Percentage	0.5
Suitability – Owner households in unsuitable dwellings (# and %)	Total	705
	Percentage	2.4
Suitability – Owner households in unsuitable dwellings and in core need (# and %)	Total	50
	Percentage	0.1
Total households in core housing need	Total	3580
Percentage of tenant households in core housing need	Percentage	14.9
Percentage of owner households in core housing need	Percentage	4
Source: Template Document		

3.7 Please provide any other available data or information that may further expand on, illustrate or contextualize the data provided above.

OBSERVATIONS

AFFORDABILITY

Spends 30% or more of income on shelter cost.

- *Owner and Tenant - 24.1%*

Tenant - 40.9%

Owner - 13.6%

In 2021, almost 25% of Owners and Tenants are spending 30% or more of income on shelter cost. Approximately 41% of tenants spend 30% or more of income on shelter cost. Tenants are more likely to spend more on shelter cost than Owners. Demonstrating there is a greater need for more affordable rental units. Owners would be susceptible to interest rate fluctuations. Paying 30% or more for shelter costs limits the ability to address emergencies and to provide for other necessities of life.

Spends 30% or more of income on shelter cost and in core need.

- *Owner and Tenant - 7.6%*

  Tenant - 5.1%

  Owner - 2.4%

In 2021, almost 8% of Owners and Tenants are spending 30% or more of income on shelter cost and in core need. Tenants are more likely than Owners to spend 30% or more of income on shelter cost and in core need. Demonstrating that more affordable rental units are required. Paying 30% or more for shelter costs limits the ability to address emergencies and to provide for other necessities of life.

ADEQUACY

Dwellings require major repairs

- *Owner and Tenant - 3.7%*

  Tenant - 5.1%

  Owner - 2.8%

In 2021, almost 4% of Owners and Tenants dwellings require major repair. Tenants are more likely than Owners to live in dwellings requiring major repair. Demonstrating program related to supporting repairs are required. Paying 30% or more for shelter costs limits the ability to address emergencies and to provide for other necessities of life.

Dwellings require major repairs and in core housing

- *Owner and Tenant - 0.7%*

  Tenant - 0.5%

  Owner - 0.2%

In 2021, almost 1% of Owners and Tenants dwellings require major repair and in core housing. Tenants are more likely than Owners to live in dwellings requiring major repair and in core housing. Demonstrating program related to supporting repairs are required. Paying 30% or more for shelter costs limits the ability to address emergencies and to provide for other necessities of life.

SUITABILITY

Dwellings that are unsuitable

- *Owner and Tenant - 5.5%*

  Tenant - 10.4%

  Owner - 2.4%

In 2021, almost 6% of Owners and Tenants dwellings are unsuitable. Tenants are more likely than Owners to live in dwellings that are unsuitable. Demonstrating that Tenants have less flexibility than Owners for their housing choice.

Dwellings that are unsuitable and in core housing

- *Owner and Tenant - 0.7%*

  Tenant - 0.5%

  Owner - 0.1%

In 2021, almost 1% of Owners and Tenants dwellings are unsuitable and in core housing. Tenants are more likely than Owners to live in dwellings that are unsuitable and in core housing. Demonstrating that Tenants have less flexibility than Owners for their housing choice. This would limit their ability to fix, repair and maintain the housing.

Core Housing

- *Tenant - 14.9%*

- *Owner - 4%*

In 2021, tenants were within core housing almost more than 4 times the percentage of owners. Demonstrating that Tenants are living in dwellings that require major repairs, with not enough bedrooms and household incomes are 30% or greater. They would be susceptible to interest rate fluctuations.

Figure 11 illustrates the 2021 percentage of households in core housing need by priority population and income category. Noting that Chart 11 and Chart 13 are identical.
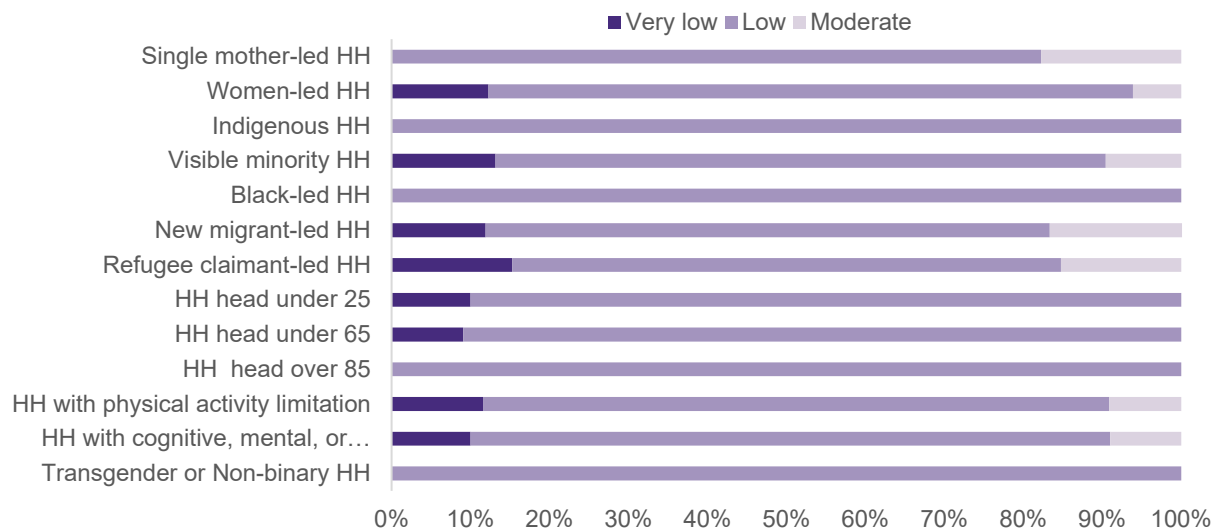

Figure 11, additional quantitative data illustrates that women-led, visible minorities, new migrant-led, refugee claimant-led, under 25, over 65, physical activity limitation and cognitive, and mental, or addictions activity limitation households continue to be priority populations that have very low or low income levels, which limits their ability to afford and secure affordable and in good repair housing. These groups represent some of the largest proportions of the population within core housing need, while their income levels are not able to support the market based availability of housing within the city. This discrepancy needs to be addressed to addressed.

As illustrated in Table 3.6.8 and Figure 12, for Owner the majority income level is within the Very Low Income, then Low Income and some within Moderate Income.   The historical housing is centrally located within the city and would compete with student housing and redevelopment opportunities. The new neighborhoods are located in greenfield areas where market based housing is traditionally at a higher purchase price.

The significant number of Owners in the Very Low Income and Low Income would be susceptible to interest rate changes and would limit their ability to fix and repair and maintain the housing.

For Renter there is almost an equal split between Very Low Income and Low Income with some Moderate Income levels.

3.6.8 Percentage of Households in Core Housing Need, by Income Category, 2021		
Income Category	Owner	Renter

Very low income ($475)	79.55%	43.26%
Low income ($1900)	33.01%	40.04%
Moderate Income ($2850)	2.44%	3.53%
Median Income ($2850)	*	*
High Income (>$2850)	*	*
*grey cells are data suppression for moderate income to high income		

Figure 12 illustrates Percentage of Households in Core Housing Need, by Income Category, 2021
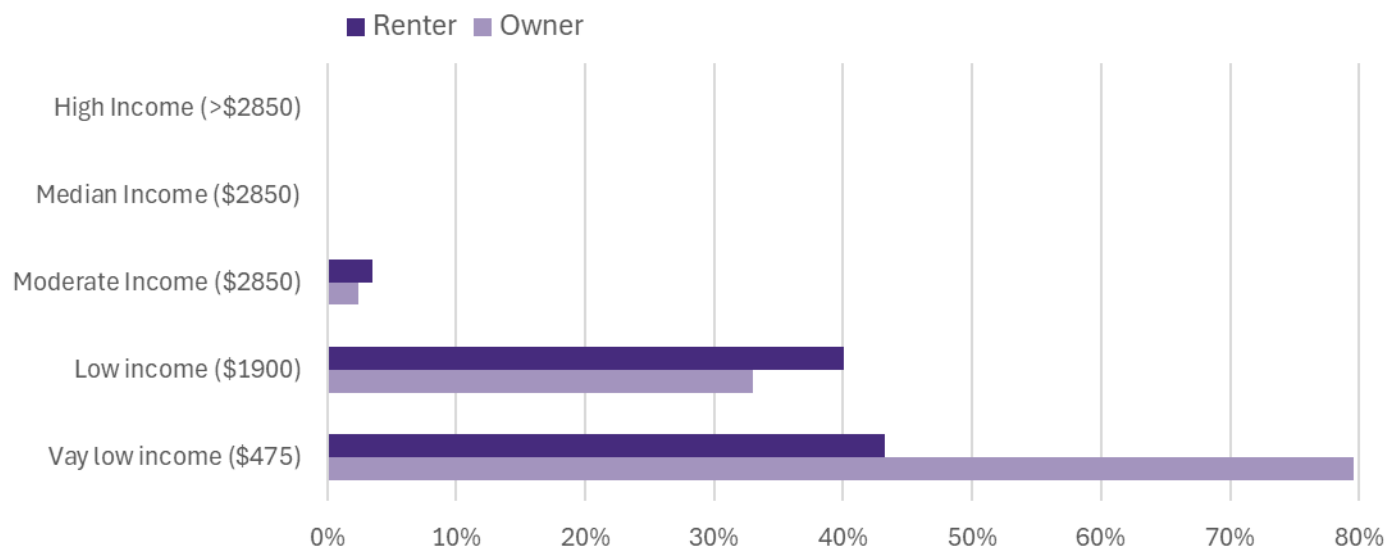
This information demonstrates there is a broad and diverse need across many groups for a range of housing that would better suit their needs for the number of bedrooms, to address affordability and state of repair for both renter and owner housing.

4. Priority Groups

There are 12 groups that CMHC defines as priority populations for affordable homes: groups who face a proportionally far greater housing need than the general population. There is also a 13th group, women-led households and specifically single mothers, implied in the National Housing Strategy which targets 33% (with a minimum of 25%) of funding going to housing for women-led households. Priority population groups are:

- Women and children fleeing domestic violence
- Women-led households, especially single mothers
- Seniors 65+
- Young adults aged 18-29
- Indigenous Peoples
- Racialized people
- Recent immigrants, especially refugees
- LGBTQ2S+
- People with physical health or mobility challenges
- People with developmental disabilities
- People dealing with mental health and addictions issues
- Veterans
- People experiencing homelessness

Census data does not disaggregate core housing need data by all priority populations, including veterans, individuals who identify as LGBTQ2S+, survivors of domestic violence, and individuals experiencing homelessness. Many households may have members in multiple priority categories which may also not be represented in the data. With these limitations in mind, information on housing need by priority population would be helpful for developing inclusive housing policies.

4.1 What information is available that reflects the housing need or challenges of priority populations in your community? If data is available, please report on the incidence of core housing need by CMHC priority population groups in your community. If no quantitative data is available, please use qualitative information to describe the need for these priority populations.

Using qualitative information, there has been a distinct recognition of the need to be able to have the tools and resources available to provide "housing first" for those experiencing homelessness. More also needs to be done to allow people and families to continue to move through the housing continuum. For Young Adults, the challenges are about being able to enter the market at all in the community that they grew up in. It is increasingly difficult for younger adults to save enough for a down payment and be able to affordable market rents or ownership. For Seniors, challenges have been expressed about the impacts of losing a partner and how that affects income and affordability levels, as well as about the need to downsize appropriately within the community they lived their entire lives. Concerns were also expressed about having affordable long-term or hospice care. Women led households, recent immigrants, single occupant households, retirees and young adults are all impacted by the challenges of income relative to housing affordability. Income levels are not keeping up with the cost of housing, and similarly inflation is impacting these individuals. Demonstrating that groups within core housing need have less flexibility and mobility for their housing choice. This would also limit their ability to fix, repair and maintain the housing.

Table 4.1.1 illustrates the percentage of 2021 households in core housing need by priority populations.

4.1.1 Percentage of Households in Core Housing Need by Priority Population, 2021	
Priority Population	**Percentage of Priority Population HH (%)**
Single mother-led HH	18.36
Women-led HH	11.20
Indigenous HH	9.04
Visible minority HH	8.65
Black-led HH	8.45
New migrant-led HH	10.19
Refugee claimant-led HH	15.04
HH head under 25	7.66
HH head over 65	11.51
HH head over 85	18.37
HH with physical activity limitation	7.19
HH with cognitive, mental, or addictions actively limitations	5.70
Transgender or Non-binary HH	6.25
Community (all HH)	8.01
Source: University of British Columbia - Housing Assessment Resource Tools (HART)	
Note: HH: "Household"	

Figure 13 illustrates the percentage of 2021 households in core housing need by priority population.
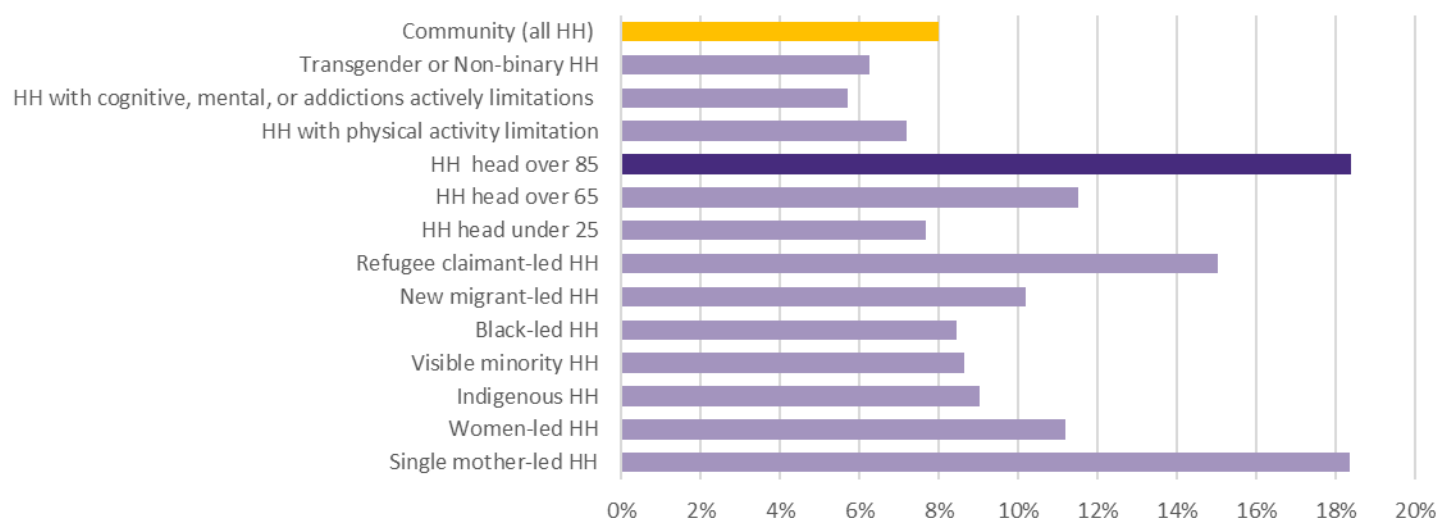

Table 4.1.2 and Figure 13 demonstrates that the two largest groups within core housing need are single mother led and household head over 85 whose housing needs may differ. There needs to be a better understanding of each group's housing needs in order to ensure that policies and programs provide aid and support to address the systemic problems

Using qualitative information, there has been a distinct recognition of the need to be able to have the tools and resources available to provide "housing first". More also needs to be done to allow people and families to continue to move through the housing continuum.

For Young Adults, the challenges are about being able to enter the market at all in the community that they grew up in. It is increasingly difficult for younger adults to save enough for a down payment and be able to affordable market rents or ownership.

For Seniors, challenges have been expressed about the impacts of losing a partner and how that affects income and affordability levels, as well as about the need to downsize appropriately within the community they lived their entire lives. Concerns have been expressed about having affordable long-term or hospice care.

Women led households, recent immigrants, single occupant households, retirees and young adults are all impacted by the challenges of income relative to housing affordability. Income levels are not keeping up with the cost of housing, and similarly inflation is impacting these individuals. Supply remains an issue, but so too are economic and inflationary pressures, with these priority groups being disproportionately impacted.

OBSERVATIONS

To help understand the need, it may be appropriate to organize the different groups into categories to demonstrate the significant of the matter and to develop policies and programs to address their respective similar and specific needs.

- *Head over 65 and 85 households – 29.88%*

- *Single mother and women led households – 29.56%*

- *Refugee claimant and new immigrant households – 25.23%*

- *Black led and visible minorities households – 17.10%*

- *Indigenous households – 9.04%*

- *Head under 25 households – 7.66%*

- *Physical activity limitations households – 7.19%*

- *Cognitive, mental or addictions activity limitations households – 5.70%*

- *Transgender or Non-binary households – 6.25%*

Table 4.1.2 percentage of 2021 households in core housing need by priority population and income category.

4.1.2 Percentage of Households in Core Housing Need by Priority Population and Income Category, 2021					
Priority Population	**Very Low Income (%)**	**Low Income (%)**	**Moderate Income (%)**	**Median Income (%)**	**High Income (%)**
Single mother-led HH	*	82.24	17.76	*	*
Women-led HH	12.25	81.62	6.13	*	*

4.1.2 Percentage of Households in Core Housing Need by Priority Population and Income Category, 2021					
Priority Population	**Very Low Income (%)**	**Low Income (%)**	**Moderate Income (%)**	**Median Income (%)**	**High Income (%)**
Indigenous HH	*	100.00	*	*	*
Visible minority HH	13.15	77.29	9.56	*	*
Black-led HH	*	100.00	*	*	*
New migrant-led HH	11.90	71.43	16.76	*	*
Refugee claimant-led HH	15.25	69.49	15.25	*	*
HH head under 25	10.00	90.00	*	*	*
HH head under 65	9.05	90.95	*	*	*
HH head over 85	*	100.00	*	*	*
HH with physical activity limitation	11.59	79.27	9.15	*	*
HH with cognitive, mental, or addictions actively limitations.	10.00	81.00	9.00	*	*
Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>					
Note: • (*) data suppression for moderate income to high income • HH: "Household"					

Figure 14 illustrates the 2021 percentage of households in core housing need by priority population and income category.
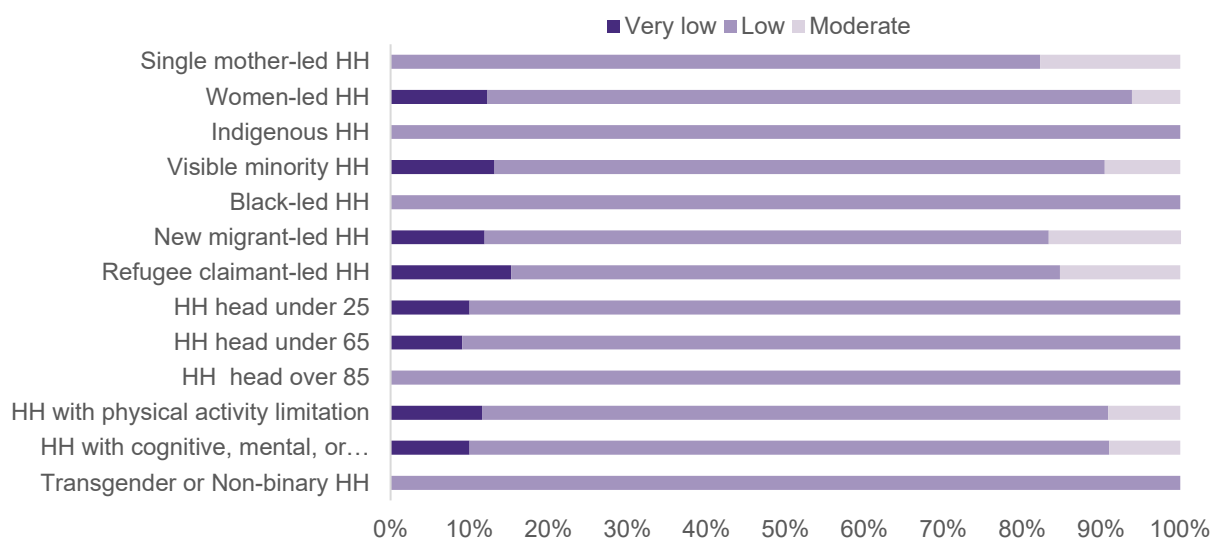
OBSERVATIONS

- *All of the priority populations are within the Low Income category with some groups also having a proportion within the Very Low Income and Moderate Income category.*

- *Indigenous, black led and household head over 85 household are 100% within the Low Income category.*

- *Single mother led household is split between Low Income (82.24%) and Moderate Income (17.76%) while woman led household is split between Very Low Income (12.25%), Low Income (81.62%) and Moderate Income (6.13%) category.*

- *Under 25 household is split between Very Low (10%) and Low Income (90%) category.*

- *Over 65 household is split between Very Low (9.05%) and Low Income Category (90.95%) while over 85 is Low Income (100%)*

4.2 Please describe the incidence and severity of homelessness in your community, including an estimated number of individuals and/or families experiencing homelessness (hidden, visible, chronic, living in encampments, and episodic). If available, please include recent Point-in-Time counts.

The Region of Waterloo on October 22, 2024, completed a Point-in-Time Count with the results being included within Report CSD-HOU-24-2020 dated December 3, 2024.

The results of their work are as follows:

Table 4.2.1 Point in Time homelessness counts comparing 2021 to 2024.

4.2.1 Point in Time Counts, Region of Waterloo			
Waterloo Region	**2021 PiT**	**2024 PiT**	**Change (%)**
Experiencing homelessness	1,085	2,371	118.5
Sources: 2024 Point-in-time Preliminary Overview Report: CSD-HOU 24-020, Region of Waterloo			

Chronic homelessness across the Region has been increasing at an average growth rate of 28% year-over-year since 2020.

For the purpose of this report Table 4.2.2 estimates based on a percentage of the city population to the Regional Population what the estimate of people experiencing homelessness would be for the city.

Table 4.2.2 City of Waterloo estimate of experiencing homelessness population.

4.2.2 City of Waterloo, Experiencing Homelessness Population			
Geographic Name	**2021 Population**	**Proportion of RMOW Population (%)**	**Experiencing Homelessness See *Note***
City of Waterloo	121,436	20.68%	490
Region of Waterloo	587,165	100%	2,371
Sources: 2024 Point-in-time Preliminary Overview Report: CSD-HOU 24-020, Region of Waterloo. Statistics Canada, 2021 Census of Population			
Note:			

4.2.2 City of Waterloo, Experiencing Homelessness Population			
Geographic Name	**2021 Populati on**	**Proportion of RMOW Population (%)**	**Experiencing Homelessness See *Note***
- Estimate based on the assumption that 20.68% of the City of Waterloo population comprises the Region of Waterloo population. Therefore, 20.68% of the Point-in-time population determine an estimate for the City of Waterloo. - PiT: "Point in Time"			

4.3 Please describe local factors that are believed to contribute to homelessness in your community (e.g., the closing of a mental health facility, high numbers of refugee claimants, etc.).

Many and varied factors influence homelessness in a community. The overall limitation of availability of good and affordable housing including purpose built or subsidized housing. On a provincial or national level, there are also economic pressures related to overall high costs of living and inflationary pressures. Social services, including for those experiencing mental health or for new refugee claimants, remains an ongoing concern province and nation-wide that exacerbates homelessness impacts regionally.

4.4 Please identify temporary and emergency relief resources available for individuals experiencing homelessness in your community (e.g., number of shelter beds, resource centres, number of transitional beds available). If possible, please indicate whether capacity levels are commensurate with need. There will be an opportunity to provide information on local permanent solutions and resources further down.

The Erbs Road Shelter, 1001 Erbs Road, Waterloo, provides 50 spaces. The shelter serves adults 25+ and includes woman, mem, gender diverse, couple and is pet friendly.,

The House of Friendship ShelterCare, 190 Weber Street North, Waterloo, provides 100 spaces. Private accessible rooms and shared double occupancy rooms are provides and serves adults 25+, single men and couples. The first floor is wheelchair accessible.

There is continued demand for these types of facilities with the municipality and given the proximity to the city of Kitchener there is often migration to facilities located there.

4.5 Some groups, including students, those in congregate housing, and temporary foreign workers, may be excluded from publicly available core housing need data sources. Communities are encouraged to use this section to describe the housing needs of these respective populations to ensure that all groups are represented in their HNA.

Student Housing

With two universities and one college campuses located within the city there is a significant demand for student housing.   The schools provide student residences and additional housing is provided in market based housing located in proximity to the schools. The Town and Gown Committee 2023 Report as of December 2022 that there were 9,235 on-campus beds owned and operated by the institutions which do not include beds owned by the institution but operated by a third party or a leased building.

According to the Region of Waterloo annual "Year-end Population and Household Estimates for Waterloo Region Report. In 2023 there were 34,550 students in Waterloo based on 36,210 arriving and 1,660 leaving.   The number of students living in residence is 9,810 and 26,600 in other accommodations.

There is a 500-bed residence under construction for one of the institutions planned to open in the fall of 2026.

The Northdale area of the city, which is adjacent to the three schools through specific planning policies initiated by the city is where the majority of existing and proposed student housing is provided by private interests. There are a number of projects under construction and many more are within the planning phase.

Congregate Housing

K-W Urban Native Wigwam Project, 34 Bridgeport Road East, Waterloo provides temporary housing for individuals experiencing homelessness who identify as Indigenous (First Nations, Metis, Inuit-status and non-status for up to 28 individuals).

Supportive Housing of Waterloo, through various sites provide supportive 362 Erb Street East, Waterloo provides 24 unit building for older adults 60+who are experiencing homelessness at 362 Erb Street West, Waterloo provides 30 one-bedroom units including 3 units that are accessible and 402 Erb Street, West, Waterloo provides 9 one-bedroom units.

Waterloo Region Housing operates 398 residential units of various bedrooms in townhouses or apartment dwellings. In addition, the Region provides support to co-op, private and non-profit housing providers for an additional 1,009 units.

From the City of Waterloo Housing Need and Deman Analysis, December 7, 2020, Report:

> 'Demand for affordable housing in Waterloo and throughout the Region exceeds supply. In 2019, 2,711 household on the Waterloo Region Housing community housing waitlist specifically identified Waterloo as their community of preference.

Singles and couples (41% or 1,095 households comprised the largest number of households on the waitlist followed closely by families (with dependents) 39% or 1,066 households. Senior households comprised the remaining 20% of households on the waitlist.

Table 10. Average Wait Times for Community Housing, Waterloo Region (2011-2107)

Household Type	Wait Time 2011	Wait Time 2017	% Increase
Senior, 1 bed	1.3 years	3 years	127%
Non-Senior, 2 bed	3.8 years	7.9 years	110%
Non-Senior, 2-3 bed	1.8 years	2.8 years	52%
Non-Senior, 4+ bed	2.1 years	3.5 years	68%

Source: Waterloo Region Housing Maset Plan, 2019

Average wait times for affordable housing are significant and have increased since 2011. In 2017, the average wait time for a one bedroom senior unit was three years, while the average wait time for a one bedroom non-senior unit was just under eight years. The Region of Waterloo has attributed growing wait times to an increased demand for affordable housing and limited construction of new market nd non-market affordable units.'

Temporary Foreign Workers

Temporary foreign workers are non-permanent residents with employment income in Canada who have permits for work, study or other permits. There is no data available for reporting the number of temporary foreign workers within the city of Waterloo. It is our understanding that the number of foreign students studying at post-secondary schools in Waterloo is declining through the implementation of federal policies.   There is limited agriculture related employment opportunities given to the minimal agricultural areas within the city for farming.

Table 4.5.1 year-end population and household estimates, 2009-2023.

4.5.1 Year-end Population and Household Estimates, 2009-2023															
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Total Population Year-end*	**121,700**	**123,000**	**124,600**	**129,100**	**131,100**	**132,300**	**133,700**	**134,600**	**137,420**	**139,490**	**146,010**	**147,350**	**147,520**	**151,440**	**154,440**
Population in Regular Households	111,100	114,000	115,400	119,300	121,100	121,600	122,400	123,100	125,830	127,830	134,290	135,570	137,650	139,530	141,430
Population in Collective Dwellings***	10,570	8,980	9,200	9,800	9,930	10,690	11,240	11,530	11,590	11,660	11,720	11,780	9,870	11,910	13,010
Total Population Year-end (previous year)*	120,500	121,900	122,900	126,400	127,600	130,700	131,800	132,900	134,600	137,420	143,500	146,270	147,350	147,460	148,630
Additional Population	1,200	1,100	1,700	2700	3,500	1,600	1,900	1,700	2,820	2,070	2,510	1,080	170	3980	5,810
Population Change from previous year (%)	1.0	0.9	1.4	2.1	2.74	1.2	1.44	1.3	2.1	1.5	1.7	0.7	0.1	2.7	3.90
Households Year-end*	**40,550**	**40,890**	**39,980**	**41,530**	**41,930**	**42,730**	**43,580**	**43,330**	**43,890**	**44,710**	**45,570**	**46,180**	**50,380**	**50,820**	**51,980**
Households Year-end (previous year)*	39,940	40,530	39,510	40,400	40,720	41,800	42,590	42,920	43,330	43,890	44,710	45,770	46,180	50,380	50,780
Additional Households	610	360	470	1,130	1,210	930	990	410	560	820	860	410	4,200	440	1,200
Household Change from previous year (%)	1.5	0.9	1.2	2.8	2.97	2.2	2.32	1.0	1.3	1.9	1.9	0.9	9.1	0.9	2.40%
Persons per Unit+	2.74	3	2.89	2.87	2.89	2.85	2.81	2.84	2.87	2.86	2.95	2.94	2.73	2.75	2.72
Student Population (included above)	**26,150**	**28,890**	**32,920**	**23,460**	**24,660**	**24,760**	**25,060**	**25,560**	**25,940**	**26,260**	**29,490**	**30,820**	**28,390**	**31,340**	**34,550**
Students Arriving	-	-	-	24,740	25,930	26,040	26,480	27,120	27,490	27,800	31,030	32,330	29,990	32,990	36,210
Living in Student Residences	8,920	7,400	7,570	8,210	8,210	8,960	9,320	9,160	9,900	9,900	9,900	9,900	7,920	9,900	9,810
Living in Other Accommodations	15,990	20,240	24,100	16,530	17,730	17,090	17,160	17,960	17,590	17,900	21,130	22,430	22,070	23,090	26,400
Students Leaving++	-	-	-	-1,280	-1,270	-1,280	-1,420	-1,560	-1,550	-1540	-1,530	-1,510	-1,590	-1,650	-1,660
Living at home	1,250	1,250	1,250	-	-	-	-	-	-	-	-	-	-	-	-

Source: Region of Waterloo, annual "Year-end Population and Household Estimates for Waterloo Region Report"

Notes:

- (*) Based on available data from the 2016 Census and 2021 Census, includes adjustments for recent residential development, students and other foreign/temporary residents, net Census undercount, and vacancy rates. Due to various corrections and adjustments, direct comparisons to previous years' estimates are not valid.
- (**) Municipal totals may not add due to independent rounding.
- (***) Collective dwellings include student residences, nursing homes, group homes, hospitals, larger lodging houses, etc.
- (+) 'Persons per Unit' (PPU) calculation is based on the 'Population in Regular Households', not on 'Total Population'
- (++) These are students who leave home to attend school. They represent the reverse flow of the temporary students arriving in the Region from elsewhere.

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Figure 15 illustrates year-end population and household estimates for 2009 to 2023.
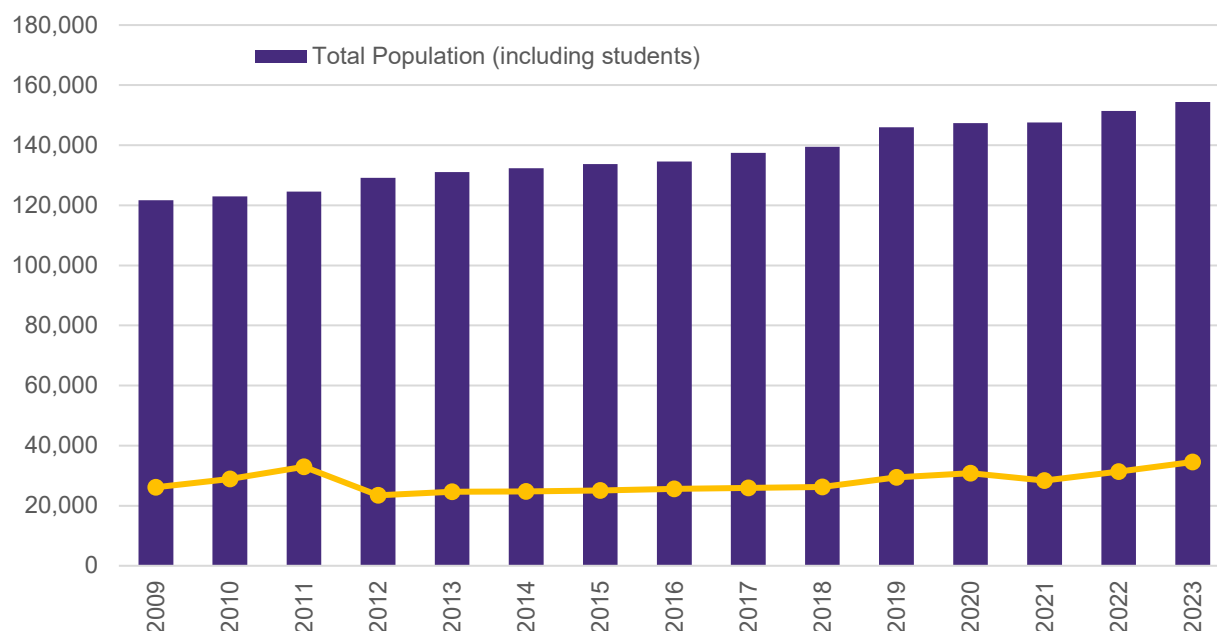
5. Housing Profile

5.1 Key Trends in Housing Stock:

This section should tell a story of housing changes over time in a community through trends in net change of affordable or below-market housing. This should be expressed through illustrations of net losses or net gains in affordable and non-market housing over the previous three census periods.

5.2 Please provide a brief history of how housing in the community has been shaped by forces such as employment growth and economic development, infrastructure, transportation, climate impacts, and migration. Please include any long-term housing challenges the community has faced:

Located in southwestern Ontario, the City of Waterloo is one of three urban centres, the others being Cambridge and Kitchener within the Region of Waterloo. The other four municipalities within the Region are townships with urban centres and agricultural lands (Woolwich, Wilmot, Wellesley and North Dumfries). There is strong community connectivity between the municipalities for the movement of people, goods and services.

Given the proximity to Highway 401, the movement of people, goods and services along the provincial road network connects the city southerly to Hamilton and Niagara Region

to Buffalo, New York, United States, westerly to London, Windsor to Detroit, Michigan, United States and easterly to Toronto and to Montreal, Quebec. The provincial road network and public transit (Go Transit and Via Rail) supports commuting to the GTA and Toronto for work, pleasure and the exchange of goods and services.

The historic development of the city centered around the urban core supported by manufacturing and growth grew outward over time in all directions to the municipal limits. King Street provides a central north-south corridor with Erb Street/Bridgeport Road provided an east-west corridor. Other roads key intermunicipal roads have been added to the road network (Conestoga Expressway, Weber Street, University Avenue, Westmount Road etc.)

Primarily, early growth was traditionally low rise residential, and the development of new Neighbourhoods expanded the urban area boundaries. Generally, the city has reached the planning boundaries for urban growth and through public planning policies there has been a shift from low rise residential to mid-rise/high rise residential and mixed use buildings along corridors, within the urban centre and at key nodes. The development of the ION by the Region and associated Major Transit Station Areas have been a key driver of this transition. Traditional 'smokestack' industries located within the core have been redeveloped for residential land uses as high tech business parks/campuses have developed within the outward Neighbourhoods.

Some of the key drivers of growth and influencing housing within the city are:

- Proximity and connectivity to the Greater Toronto Area.

- Waterloo Region ION and coordinated GRT bus system.

- Development of high-tech industries (RIM Park, David Johnston Research & Technology park etc.).

- University of Waterloo, Wilfred Laurier University and Conestoga College.

Proximity and connectivity to the Greater Toronto Area (GTA).

Waterloo provides a lifestyle, housing choice and affordability that may not be easily achieved within the GTA.

Waterloo Region ION and coordinated GRT bus system.

The public transit system provides an opportunity to commute to work and play without the requirements of a car. The associated Major Transit Starion Areas provide for mixed use developments to meet living and day to day needs.

Development of high-tech industries (Generation Park, RIM Park, David Johnston Research & Technology park etc.).

Supports higher and skill labour which the jobs are more likely to be permanent and with better renumeration. Higher incomes provide some flexibility for housing choices.

University of Waterloo, Wilfred Laurier University and Conestoga College

Provides a rationale Waterloo to be a destination for local, provincially, nationally, and international students. Creates demand and competition for housing within proximity to the schools.

Other matters

Climate - The Community Climate Adaptation Plan for Waterloo Region, Region of Waterloo, 2019 identified 15 Objectives to address climate adaption. Generally, local climate projections indicate that Waterloo region is experiencing warmer, wetter, and more extreme weather conditions. To ensure resilience against climate related challenges and occurrences requires adaptations in housing design and infrastructure.

Affordability - Based on Table 5.2.1 Average Market Rent, from 2008 to 2024, average market rent has increased by approximately 91% and based on Table 5.9.1 Average House Sales Prices from 2008 to 2024 have increased by approximately 212% affecting house choice and affordability.

Homelessness - Based on the Region of Waterloo, chronic homelessness across the Region has been increasing at an average growth rate of 28% year-over-year since 2020.

Supply Constraints – Due to a broad range of economic factors, there is a supply of approved residential units that are no proceeding to building permit and an increase in population provides greater pressure on the existing supply.to me the housing needs.

OBSERVATION

- ***While federal and provincial governments have a role, solutions to these challenges require concerted and coordinated effort between local authorities, community organizations, and residents to develop sustainable housing solutions that provide for planned growth while ensuring strong and healthy communities, affordability and resilience.***

General Housing Built Form

Table 5.2.1 housing units currently occupied/available.

5.2.1 Housing Units: Currently Occupied/Available		
Characteristic	**Data**	**Value**
Total private dwellings	Total	47,040
	Single-detached	23,145

5.2.1 Housing Units: Currently Occupied/Available		
Characteristic	**Data**	**Value**
Breakdown by structural types of units (number of units)	Semi-detached	2,125
	Row house	5,375
	Apartment/flat in a duplex	1,015
	Apartment in a building that has fewer than 5 storeys	4,945
	Apartment in a building that has 5 or more storeys	10,330
	Other single attached	20
	Movable dwelling	95
Breakdown by size (number of units)	Total	47,040
	No bedrooms	165
	1 bedroom	5,385
	2 bedrooms	10,890
	3 bedrooms	17,220
	4 or more bedrooms	13,380
Breakdown by date built (number of units)	Total	47,040
	1960 or before	4,530
	1961 to 1980	10,955
	1981 to 1990	8,310
	1991 to 2000	7,715
	2001 to 2005	4,830
	2006 to 2010	2,410
	2011 to 2015	3,065

5.2.1 Housing Units: Currently Occupied/Available		
Characteristic	**Data**	**Value**
	2016 to 2021	5,215
Rental vacancy rate (%)	Total	2.5
	Bachelor	*See Note*
	1 bedroom	1.6
	2 bedrooms	3.1
	3 bedrooms+	2.5
Number of primary and secondary rental units	Primary	9,942
	Secondary	Currently Licensed: 3,795 Under Review: 925
Number of short-term rental units	Total	~500 Active
Source: City of Waterloo, Licensing By-law Update. Short-Term Rental Enforcement Fund Application and Licensing By-law Update (COM2025-0XX), January 2025.		
Note: Estimate based on data provided by two third-party web data extraction software providers (Granicus and AirDNA)		

Based on Table 5.2.1 current housing within the city is distributed as follows:

- 49% are single detached dwellings.

- 4.4% are semi-detached dwellings.

- 11.4% are row housing dwellings.

- 35% are apartment dwellings.

- 0.2% are other dwelling type.

The Region wide trend for single detached dwellings is 53.5%, which means the city is less than the regional and for the city in time, given generally the planned urban boundary has been developed, the availability of redevelopment lands and public planning policies, it is anticipated that moving forward as reflected in building permit trends, the percentage of low rise residential will decrease and apartment will increase moving forward. This is also reflected in that apartment 5 or more is the largest number of units.

Based on Table 5.2.1 t the number of bedrooms is distributed as follows:

- No bedroom – less than 1%

- 1 bedroom – 11%

- 2 bedrooms – 23%

- 3 bedrooms – 37%

- 4 or more bedrooms – 28%

The 4 or more bedrooms may be influenced by approach for student housing where multiple students share a common area and each student has a bedroom. Only approximately 12% are 1 bedroom or less.

The city licensing primary and secondary rental units. As of the time of this report, 3,795 were licensed and a further 925 were under review. It is noted that in 2025, council will consider incentive programs to support affordable housing units for Additional Residential Units.

It is estimated that there are 500 active short term rental units within the city

5.3 In the last five years, how many affordable units for low and very low-income households have been built, and how many have been lost? If data is not available, please describe how the loss of affordable housing units may have impacted your community.

The City of Waterloo has strategically and comprehensively pursued affordable housing initiatives as outlined within this report and has utilized Housing Accelerator Fund funding together with municipal resources. However, we do not know exactly how many affordable units for low and very low-income household were built nor were they lost.

Affordable Housing Projects

420 Kingscourt Drive, Waterloo -74 apartment units.

OBSERVATION

- ***There have been very limited new affordable projects built and have been limited to a Region of Waterloo project for Low Income households.***

5.4 How have average rents changed over time in your community? What factors (economic, social, national, local, etc.) have influenced these changes?

Table 5.2.1 average market rent ($).

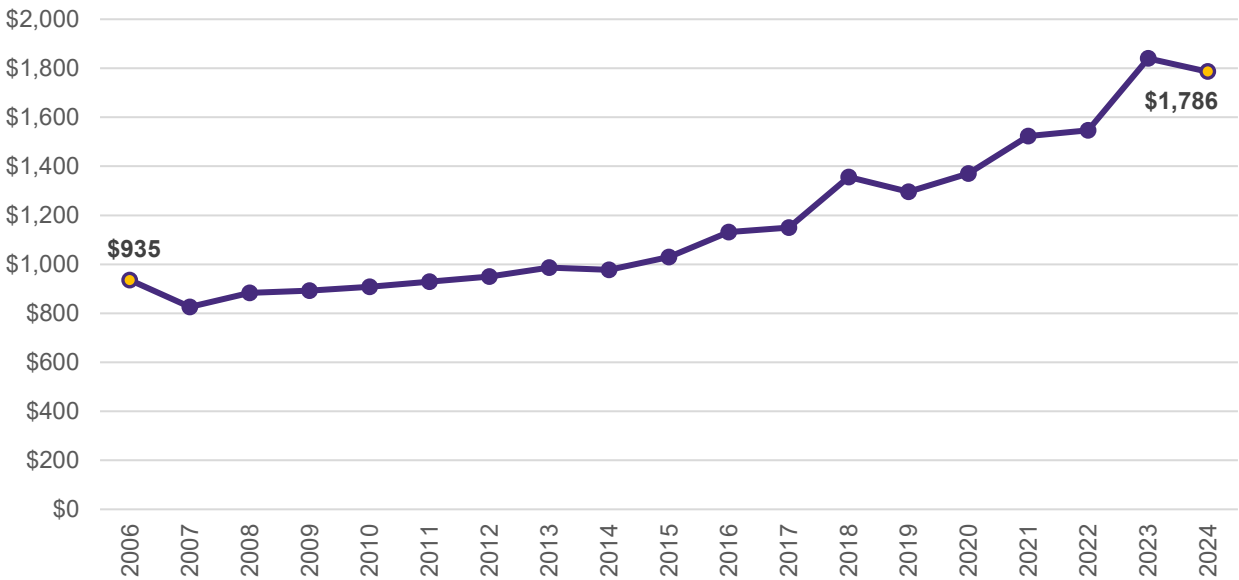| 5.2.1 Average Market Rent ($)		
Year	Average Market Rent	Vacant Rent
2006	935	
2007	826	
2008	884	
2009	893	
2010	908	
2011	929	
2012	950	
2013	987	
2014	978	
2015	1,030	
2016	1,132	
2017	1,150	
2018	1,356	
2019	1,296	
2020	1,370	1,688
2021	1,523	1,635
2022	1,547	1,896
2023	1,840	1,498
2024	1,786	1,941
Source: Table: 3.1.2 Private Row (Townhouse) and Apartment Average Rents ($), by Zone and Bedroom Type - Kitchener-Cambridge-Waterloo CMA		

Figure 16 illustrates average market rent.

Table 5.2.1 and Figure 16 illustrate that for Average Market Rent from 2006 to 2024 it has nearly doubled from $935 to $1,786 per month on a steady curve. It is noted that from 2023 to 2024 there was a slight decrease in rent. It is noted given that Vacant Rent is higher than market rent by approximately 8% in 2024 because landlords can increase rents when a tenant vacates a unit and can adjust rents more frequently if units are vacated.

Table 5.4.2 average yearly market rent by unit type ($) for 2021 to 2024.

5.4.2 Average Market Rent by Unit Type ($), 2021-2024				
Unit Type	2021	2022	2023	2024
Bachelor	1,122	1,174	1,289	1,391
1 Bedroom	1,257	1,371	1,529	1,649
2 Bedroom	1,500	1,591	1,856	1,871
3+ Bedroom	*	1,904	2,620	1,888
Source: Table: 3.1.2 Private Row (Townhouse) and Apartment Average Rents ($), by Zone and Bedroom Type - Kitchener-Cambridge-Waterloo CMA				
Note: (*) data suppression for moderate income to high income.				

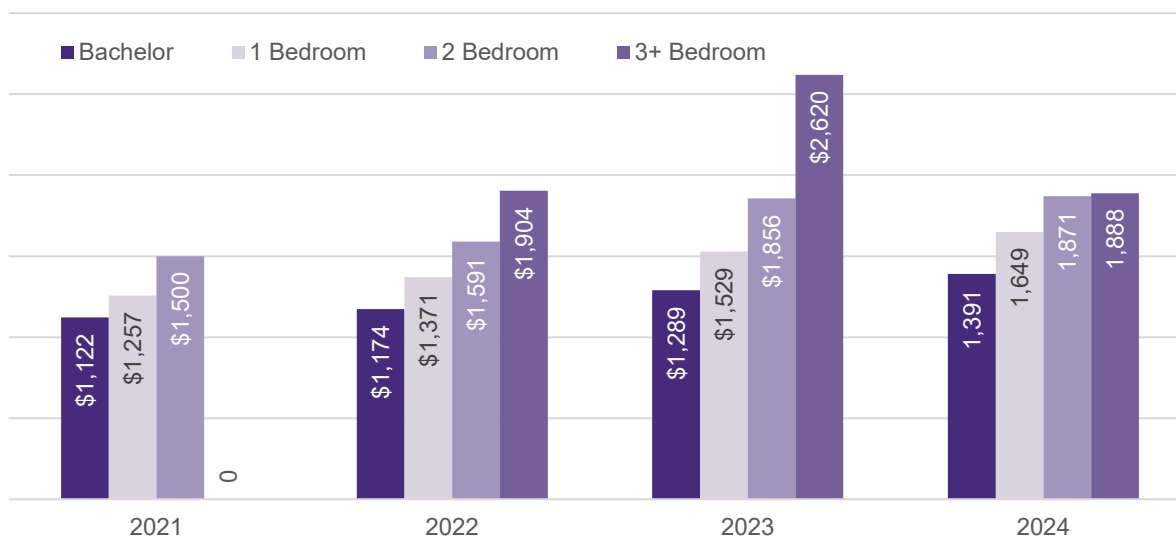Figure 17 illustrates average market rent by unit type for 2021 to 2024.

Table 5.4.2 and Figure 17 illustrate from 2021 to 2024 average market rent by unit type illustrating rent increases by unit type varies. It is noted that in 2023 the 3+ bedroom unit monthly rent increased from 2022 average market rent by approximately 37% while other unit type has increased generally by 10 to 13%. However, from 2023 to 2024 the 3+ bedroom average monthly rent decreased by $732 or approximately 28% and other bedroom types had minimal increases.

OBSERVATIONS

- *From 2006 to 2024 vacant rents were more than average monthly rent.*

- *From 2006 to 2023 average market rents increased steadily and in 2024 slightly decreased.*

- *Three plus bedroom rents substantially increased in 2023 and then declined in 2024.*

5.5 How have vacancy rates changed over time? What factors have influenced this change?

Table 5.5.1 vacancy rate for primary rental units.

5.5.1 Vacancy Rate of Primary Rental Units	
Year	Private Row (Townhouse) and Apartment Vacancy Rate (%)
2006	2.0
2007	1.1
2008	1.2
2009	1.4
2010	1.8
2011	1.4
2012	3.2
2013	3.1
2014	2.8
2015	2.2
2016	1.6
2017	2.1
2018	2.9
2019	1.6
2020	2.8
2021	2.5
2022	1.2
2023	1.6
2024	2.5
Source: Table: 3.1.1 Private Row (Townhouse) and Apartment Vacancy Rates (%), by Zone and Bedroom Type - Kitchener-Cambridge-Waterloo CMA	

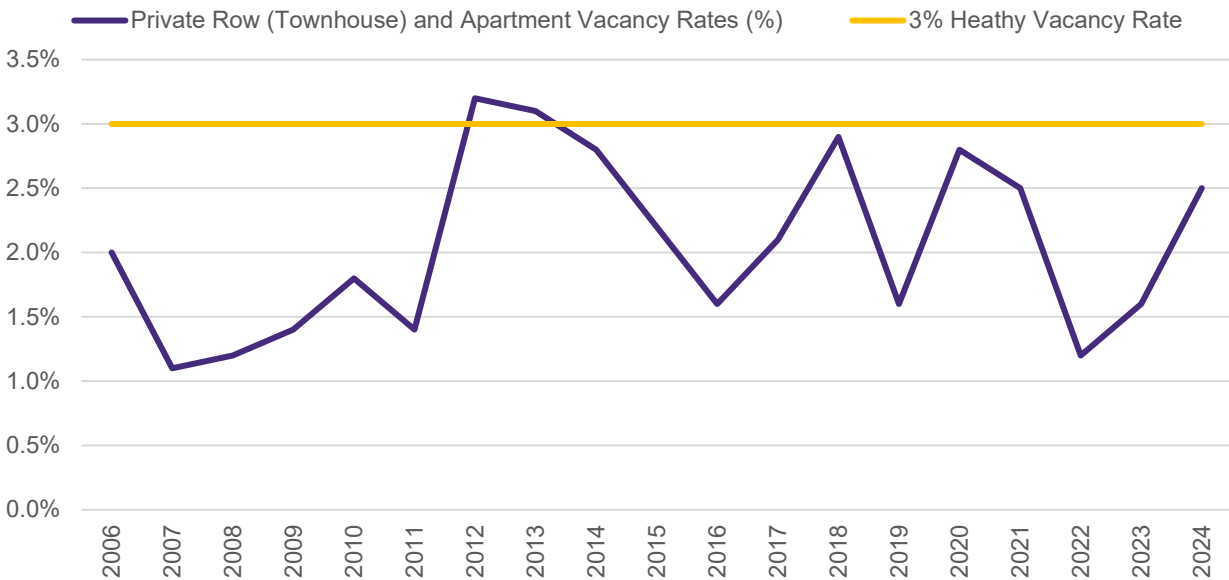Figure 18 illustrates vacancy rate of primary rental units.

Table 5.5.1 and Figure 18 illustrate from 2006 to 2024 vacancy rates of primary rental units were below the 3% healthy vacancy rate with only in 2012 and 2013 above and through the years never was below 1%. During this time period there were several fluctuations. Noting that from 2022 to 2024 the vacancy rate more than doubled from 1.2% to 2.5%.

Factors Influencing Vacancy Rate Changes

(Based on the Kitchener-Cambridge-Waterloo -Fall 2024 Rental Market Report, CMHC)

Rental Supply Expansion - The increase in purpose built rental units has contributed to a higher vacancy rate. In 2024, the area saw an increase in purpose built rental supply.

Reduced Demand from International Students – Federal Policy changes, such as reducing and limiting the amount of international study permits has led to decreased rental demand in proximity to the three post-secondary institutions, contributing to higher vacancy rates.

Affordable Challenges – Affordability remains a challenge even with increased vacancies. The vacancy rate for affordable housing for lower income renters was below 1% in 2024, demonstrating the limitations of affordable housing options.

OBSERVATIONS

- *For Waterloo, vacancy rates have been influenced by many factors including: increased rental supply, policy changes affecting demand and continued limitation of affordable housing options for lower income households.*

5.6 How have trends in core housing need changed over time between both tenant and owner-occupied households?

Table 5.6.1 tenure from 2006 to 2021.

5.6.1 Tenure, 2006-2021						
Total Private Households	**2006 Count**	**2006 Rate (%)**	**2016 Count**	**2016 Rate (%)**	**2021 Count**	**2021 Rate (%)**
TOTAL	36,780	100.0	40,380	100.0	47,040	100.0
Owner	26,340	71.6	27,795	68.8	28,835	61.3
Renter	10,435	28.4	12,590	31.2	18,205	38.7
Source: Statistics Canada, 2006, 2016, and 2021 Censuses of Population						

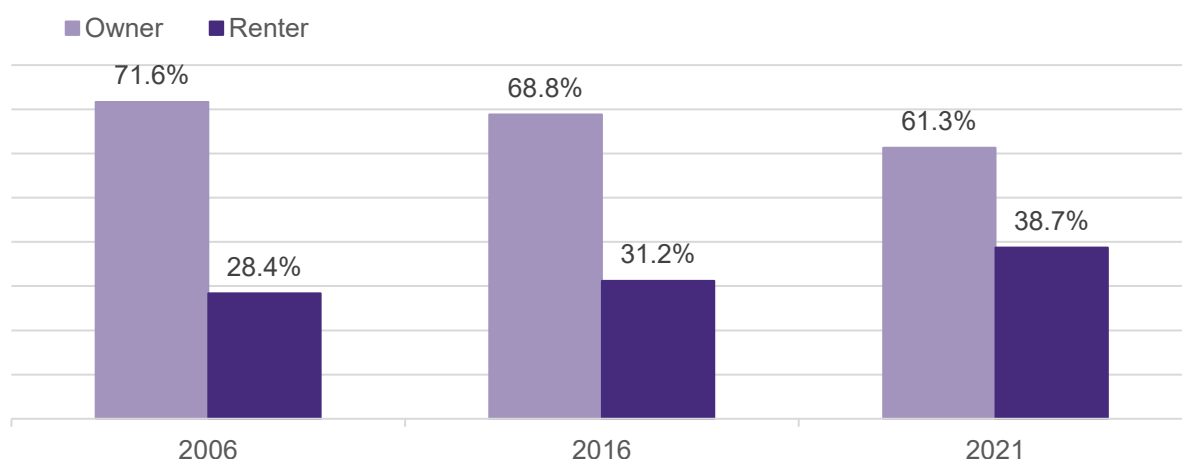Figure 19 illustrates tenure from 2006 to 2021.

Table 5.6.1 and Figure 19 illustrate that from 2006 to 2021 there has been a percentage decline of owner tenure of 10.3% and an increase in percentage renter of 10.3% within the city.

OBSERVATION

- ***From 2006 to 2021 there is an increase of approximately 10% for more housing for the rental tenure.***

Table 5.6.2 tenure by core housing comparing 2016 to 2021.

5.6.2 Tenure by Core Housing Need, 2016-2021						
Core Housing Need	2016 Total	2016 Owners	2016 Renters	2021 Total	2021 Owners	2021 Renters
TOTAL	38,035	27,055	10,980	44,770	28,255	16,515
In core need	3,475	1,230	2,245	3,580	1,125	2,460
Not in core need	34,555	25,820	8,735	41,185	27,130	14,055
Source: 2024 - EO3806_CoreHousing_Demographics_Part 1_OntarioGeo6_CMACACT. RISWIG, IVT Table (2016) - EO3013 Table 2, Owner and EO3013 Table 3 Renters						

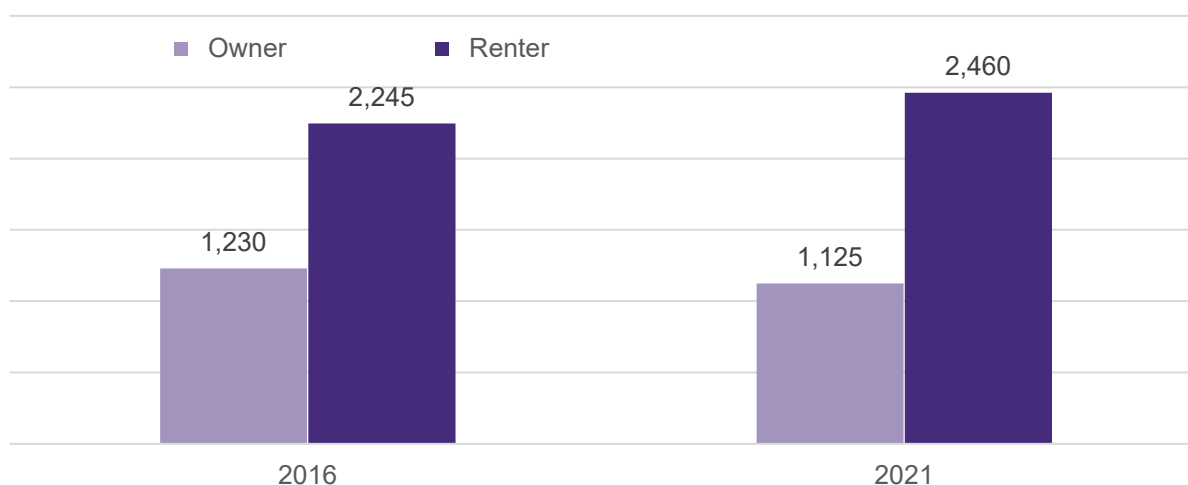Figure 20 illustrates 2016 to 2021 tenure by core housing.

Table 5.6.2 and Figure 20 illustrate that in 2016 there was approximately 10% with core housing and in 2021 there was approximately 8% within core housing.

That from 2016 to 2021, based on tenure in core housing there was a decrease of approximately 8% of owners in core housing while there was an increase of approximately 9% of renters in core housing.
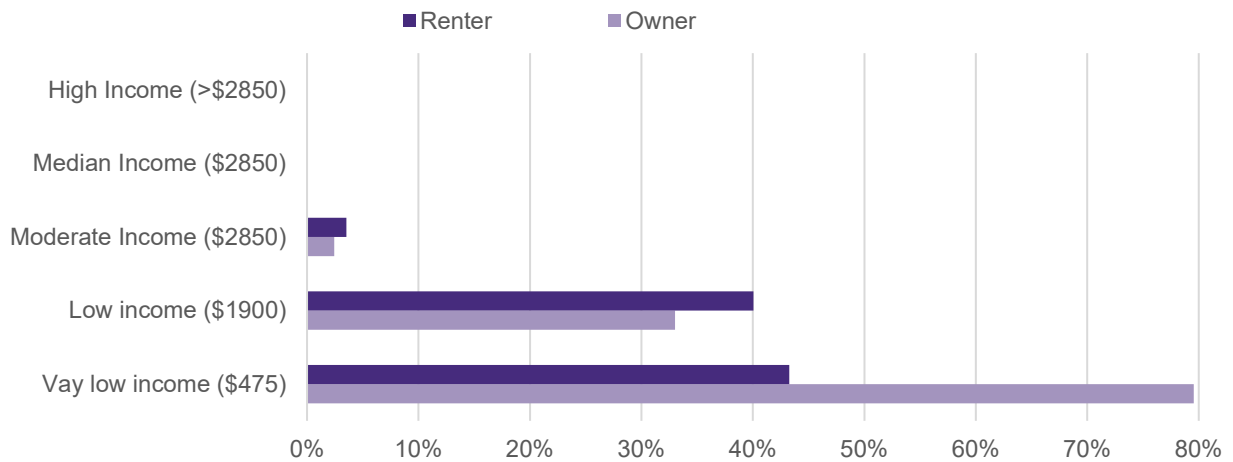

OBSERVATION

- ***Renter households consistently experience higher rates of core housing compared to owner households.***

Table 5.6.5 percentage of 2021 households in core housing need by income category.

5.6.5 Percentage of Households in Core Housing Need, by Income Category, 2021		
Income Category	Owner (%)	Renter (%)
Very low income ($475)	79.55	43.26
Low income ($1900)	33.01	40.04
Moderate Income ($2850)	2.44	3.53
Median Income ($2850)	*	*
High Income (>$2850)	*	*
Source: University of British Columbia - Housing Assessment Resource Tools (HART)		
Note: (*) grey cells are data suppression for moderate income to high income.		

Figure 21 illustrates 2021 percentage of household in core housing need, by income.

OBSERVATIONS

- *Within core housing for Renter's there is almost equal split with households with Very Low Income and Low Income.*

- *Within core housing for Owner's the majority of households have Very Low Income.*

- *Within core housing for both Renter's and Owner's households a very small percentage have Moderate Income.*

Table 5.6.6 2021 CMHC Housing Standards.

5.6.6 CMHC Housing Standards, 2021			
Income Category	**Owner HHs**	**Renter HHs**	**Total**
Total	**1,120**	**2,460**	**3,580**
Very Low Income ($475)	175	305	**480**
Low Income ($1187)	845	2,000	**2,845**
Moderate Income ($1900)	100	155	**255**
Median Income ($2850)	*	*	*
High Income (>$2850)	*	*	*
Source: Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>			
Note: • (*) grey cells are data suppression for moderate income to high income. • HH: "Household"			

OBSERVATION

- ***In 2021, the majority of CMHCV Housing Standards for Renter and Owner households are within Low Income.***
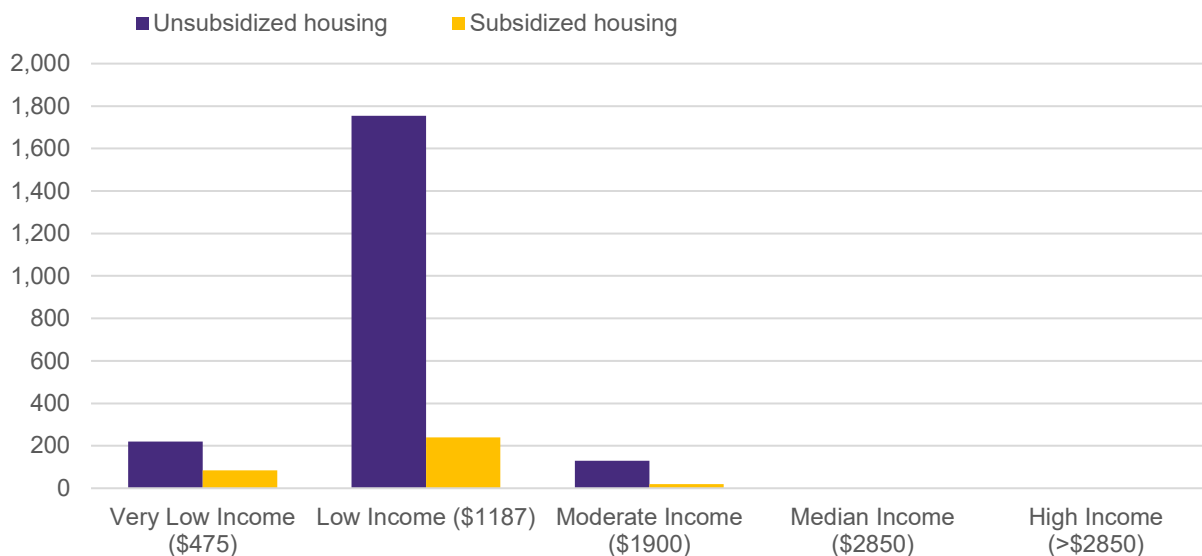
5.7 Non-Market Housing

Table 5.71 affordable housing deficit for subsidized renters versus unsubsidized renters.

5.7.1 Affordable Housing Deficit for Subsidized Renters vs Unsubsidized Renters			
Income Category	**Unsubsidized**	**Subsidized**	**Total**
Total	2,105	345	2,450
Very Low Income ($475)	220	85	305

5.7.1 Affordable Housing Deficit for Subsidized Renters vs Unsubsidized Renters			
Income Category	**Unsubsidized**	**Subsidized**	**Total**
Low Income ($1187)	1,755	240	1,995
Moderate Income ($1900)	130	20	150
Median Income ($2850)	0	0	0
High Income (>$2850)	0	0	0
Source: Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>			

Figure 22 illustrates affordable housing deficit for subsidized versus unsubsidized renters.

OBSERVATION

- ***Unsubsidized renter households are significantly more likely for Low Income, Very Low Income and Moderate Income to have an affordable housing deficit.***

Table 5.7.1 current non-market housing units.

5.7.1 Current Non-Market Housing Units		
Characteristic	**Data**	**Value**
Number of housing units that are subsidized	Total	345
Number of housing units that are below market rent in the private market (can either be rent or income-based definition)	Total	1,188
Number of co-operative housing units	Total	278
Number of other non-market housing units (permanent supportive, transitional, etc.)	Total	180

Sources:

- Report template.
- ***Number of housing units that are subsidized:*** 2021 Affordable Housing Deficit for Subsidized Renters vs Unsubsidized Renters. University of British Columbia - Housing Assessment Resource Tools (HART)
- Number of housing units that are below market rent in the private market (can either be rent or income-based definition):
  - ***Number of co-operative housing units:*** "Affordable Housing Sites - Waterloo" tracking document
  - ***Number of other non-market housing units (permanent supportive, transitional, etc.):*** Region of Waterloo Housing Services, 2025

OBSERVATION

- ***There are significantly more non-market housing units within the private market than within housing units subsidized and co-operative housing.***

5.8 Please describe any other affordable and community housing options and needs/gaps currently in your community that are not captured in the table above.

Examples can include:

1. Are any of these affordable housing units accessible or specifically designed for seniors, including long-term care and assisted living?
2. Does your municipality provide rent supplements or other assistance programs that deepen affordability for households?
3. Is your community in need of supportive housing units with wrap-around support, such as for those with disabilities?

Within the city there are a variety of affordable, and community based housing options planned to address the diverse need and challenges of their residents. Many offer a tiered menu of services including dining services, health and wellness, and activities

Some examples but not all that provide similar services would include:

Housing for Seniors:

- The Village at University Gates provides for the continuum of care from Retirement apartment, independent living with minimum services, full service retirement suits, assisted care to long-term-care.

- Luther Village on the Park provides community living for older adults with a range of living options from life leases, independent living, assisted living and memory care.
- Court at Laurelwood within a retirement community provides respite care and independent living.

Rent Assisted Programs:

- Region of Waterloo offers financial aid to individuals struggling with rent payments or those unable to afford a rent deposit. Eligibility criteria include low income and being at risk of eviction or homelessness.

- Starling Community Services provide mental health, employment services and housing services to assist with finding safe and permanent housing.

Supportive Housing with Wrap-Around Services:

- Supportive Housing of Waterloo (SHOW) operates from multiple sites offering permanent housing with comprehensive support services for individuals that have experienced homelessness. Services include affordable housing units and residences for marginalized seniors.

Noting that there are many agencies and groups who service the three cities and include Waterloo within their program. Some examples include:

- Traverse Independence, although based in Kitchener, does include Waterloo with their service area. Residents remain within their own housing they provide 24/7 personal support services for adults with physical disabilities.

- KW Habilitation supports adults with developmental disabilities in various homes throughout Waterloo and Kitchener, focusing on individualized personal directed support that promotes inclusion and community participation.
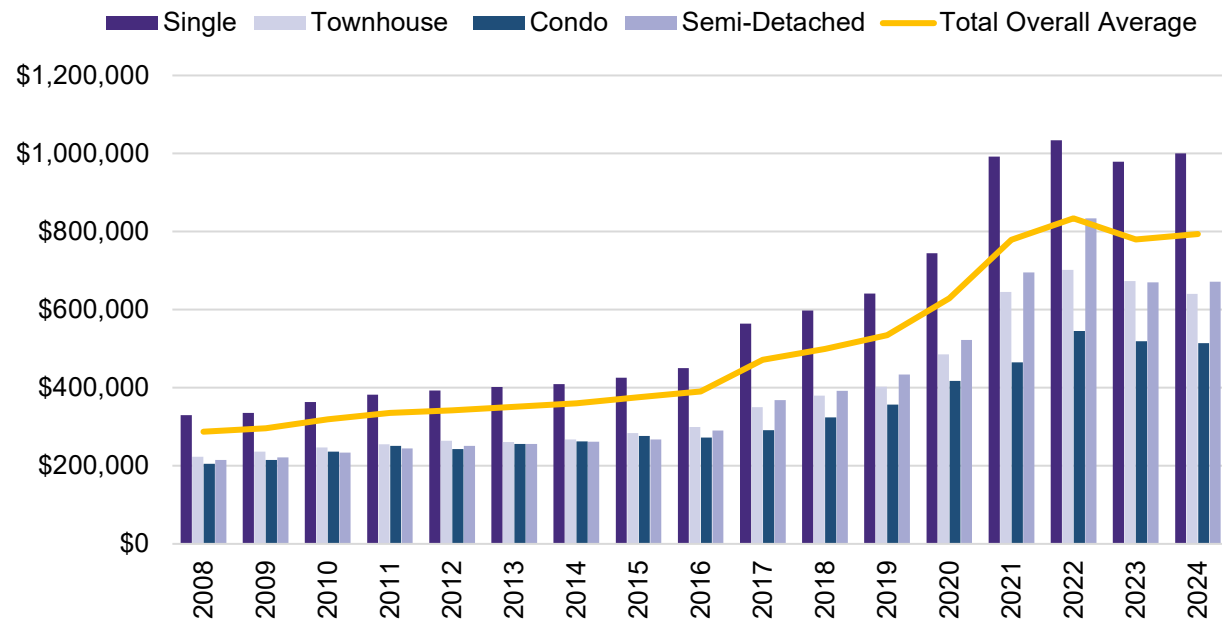

OBSERVATIONS

- *There are many public and private supportive services but more there remains a gap for care and support for many.*

- *Many agencies and service providers include the three cities within their area of service.*

5.9 Housing Trends

Table 5.9.1 2008 to 2024 average house sales prices.

5.9.1 Average House Sales Prices ($), 2008-2024					
Year	Single	Town-house	Condo	Semi-Detached	Total Overall Average
2008	287,405	329,698	223,352	205,410	**214,955**
2009	296,508	335,140	236,138	215,089	**221,760**
2010	319,019	363,507	247,176	236,098	**234,184**
2011	335,555	382,412	255,386	250,794	**244,705**
2012	341,824	392,515	264,225	242,521	**251,089**
2013	351,340	401,583	260,598	255,743	**256,328**
2014	360,293	409,146	267,646	262,768	**262,027**
2015	375,376	425,348	284,152	276,761	**267,316**
2016	390,673	450,175	299,536	272,418	**290,187**
2017	471,514	564,164	350,253	291,298	**368,140**
2018	499,801	598,079	379,735	323,976	**391,972**
2019	534,905	641,704	402,889	357,136	**434,013**
2020	629,084	744,978	485,413	417,859	**522,257**
2021	779,271	991,911	645,741	465,199	**695,295**
2022	833,969	1,034,041	701,978	545,440	**833,969**
2023	780,213	979,229	673,550	519,377	**670,240**
2024	794,162	1,000,504	640,100	514,484	**671,537**
Source: Waterloo Region Association of Realtors (WRAR)					

Figure 23 illustrates 2008 to 2024 average house prices by housing types.

OBSERVATIONS

- *Average house prices gradually rose from 2008 to 2016.*

- *Average house prices significantly rose from 2017 to 2022.*

- *Average house prices declined and remained stable over 2023 and 2024.*

Table 5.9.2 2008 to 2024 number of house sales by type.

5.9.2 Number of House Sales by Housing Type, 2008-2024					
Year	Single	Town-house	Condo	Semi-Detached	Total Overall Average
2009	1,021	172	270	115	1,578
2010	976	141	264	101	1,482
2011	931	259	156	109	1,455
2012	943	281	182	87	1,493
2013	1,071	272	171	106	1,620

| 5.9.2 Number of House Sales by Housing Type, 2008-2024					
Year	Single	Town-house	Condo	Semi-Detached	Total Overall Average
2014	1,064	259	179	79	**1,581**
2015	1,093	309	183	124	**1,709**
2016	1,277	406	252	115	**2,050**
2017	1,150	333	274	131	**1,888**
2018	971	311	304	98	**1,686**
2019	960	261	299	85	**1,607**
2020	1,054	257	325	85	**1,721**
2021	1,067	360	490	125	**2,044**
2022	768	225	383	106	**1,482**
2023	669	235	346	87	**1,352**
2024	694	274	587	87	**1,642**
Source: Waterloo Region Association of Realtors (WRAR)					
Note: Overall total calculated based on a 12 month period (Jan to Dec) for all sales within the City of Waterloo					

OBSERVATIONS

- *From 2014 to 2024, house sales peaked in 2021 for all housing types.*

- *In 2022 and 2023 overall house sales declined, however single detached remained proportionately strong to other housing types but less than previous years.*

- *In 2024 it was the best year for condominium house sales.*

Table 5.9.3 2024 median sales by housing type.

5.9.3 Median Sales Prices by Housing Type ($), 2024				
Single	**Town-house**	**Condo**	**Semi-Detached**	**Total Overall Average**
998,741.50	650,511	503,701	670,857	794,647.50
Source: Waterloo Region Association of Realtors (WRAR)				

Figure 24 illustrates 2024 median house prices by housing type.
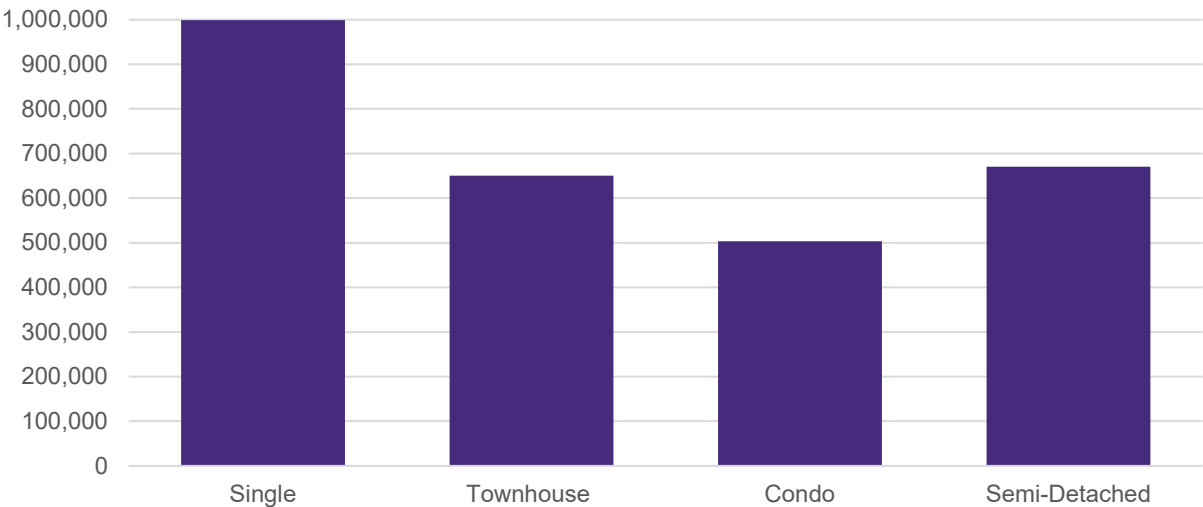
OBSERVATIONS

- *In 2024, the median sales prices for single detached were just below a $1,000,000.*

- *In 2024, the median sales prices for semi-detached and townhouse were very close in value and below the total overall average.*

- *In 2024, condominium was the most affordable median sales price in comparison to the other built forms.*

Table 5.9.4 housing values.

5.9.4 Housing Values		
Characteristic	**Data**	**Value**
Median monthly shelter costs for rented dwellings (Canadian dollars)	Median	1,400
Purpose-built rental prices by unit size (Average, Canadian dollars)	Total	1,523
	Bachelor	1,122
	1 bedroom	1,257
	2 bedrooms	1,500
	3 bedrooms+	Not available
Purpose-built rental prices by unit size (Median, Canadian dollars per month)	Total	1,375
	Bachelor	1,175
	1 bedroom	1,243
	2 bedrooms	1,430
	3 bedrooms+	Not available
Sale prices (Canadian dollars)	Average	780,213
	Median	786,011
Sale prices by unit size (Average, Canadian dollars)	Average	2025-733,096
	Bachelor	2025- Not available
	1 bedroom	2025-423,339
	2 bedrooms	2025-514,986
	3 bedrooms+	2025-892,907
Sale prices by unit size (Median, Canadian dollars)	Median	2025 740,000
	Bachelor	2025 Not available
	1 bedrooms	2025 422,500
	2 bedrooms	2025 511,200

5.9.4 Housing Values		
Characteristic	**Data**	**Value**
	3 bedrooms+	2025-890,063
Source: Waterloo Region Association of Realtors (WRAR)		

OBSERVATIONS

- *Demonstrates that for both purpose built rental and sales prices that affordability is a significant challenge.*

- *Demonstrates that for families requiring 3+ bedrooms the sale price from 1 bedroom to 3 bedroom has more than doubled.*


Table 5.9.5 illustrates 2006 to 2024 housing starts by dwelling types.

5.9.5 Housing Starts by Dwelling Type									
Year	**Single**	**%**	**Semi-detached**	**%**	**ROW**	**%**	**Apartment**	**%**	**Total**
2006	53	26,0	6	2.9	33	16.2	112	54.9	**204**
2007	93	40,6	8	3.5	44	19.2	84	36.7	**229**
2008	48	10.0	0	0.0	45	9.4	386	80.6	**479**
2009	48	25.4	0	0.0	23	12.2	118	62.4	**189**
2010	28	5.9	0	0.0	12	2.5	437	91.6	**477**
2011	33	3.4	0	0.0	12	1.2	929	95.4	**974**
2012	34	2.3	4	0.3	35	2.3	1,417	95.1	**1,490**
2013	44	3.4	2	0.2	48	3.7	1,218	92.8	**1.312**
2014	80	3.6	2	0.1	19	0.9	2,099	95.4	**2,200**
2015	87	4.0	8	0.4	43	2.0	2,060	93.7	**2,198**

5.9.5 Housing Starts by Dwelling Type										
Year	Single	%	Semi-detached	%	ROW	%	Apartment	%	Total
2016	164	10.2	14	0.9	54	3.4	1,372	85.5	**1,604**
2017	155	11.0	8	0.6	41	2.9	1,199	85.5	**1,403**
2018	71	4.9	4	0.3	66	4.5	1,314	90.3	**1,455**
2019	131	19.6	2	0.3	30	4.5	505	75.6	**668**
2020	77	5.6	14	1.9	38	2.8	1,239	90.6	**1,368**
2021	118	11.8	6	0.6	48	4.8	825	82.7	**997**
2022	80	8.6	10	1.1	184	19.8	654	70.5	**928**
2023	50	7.9	0	0.0	95	15.0	490	77.2	**635**
2024	73	9.1	0	0.0	56	7.0	670	83.9	**799**

Source: CHHC Starts and Completion Survey

Figure 25 illustrates 2006 to 2024 by dwelling type.
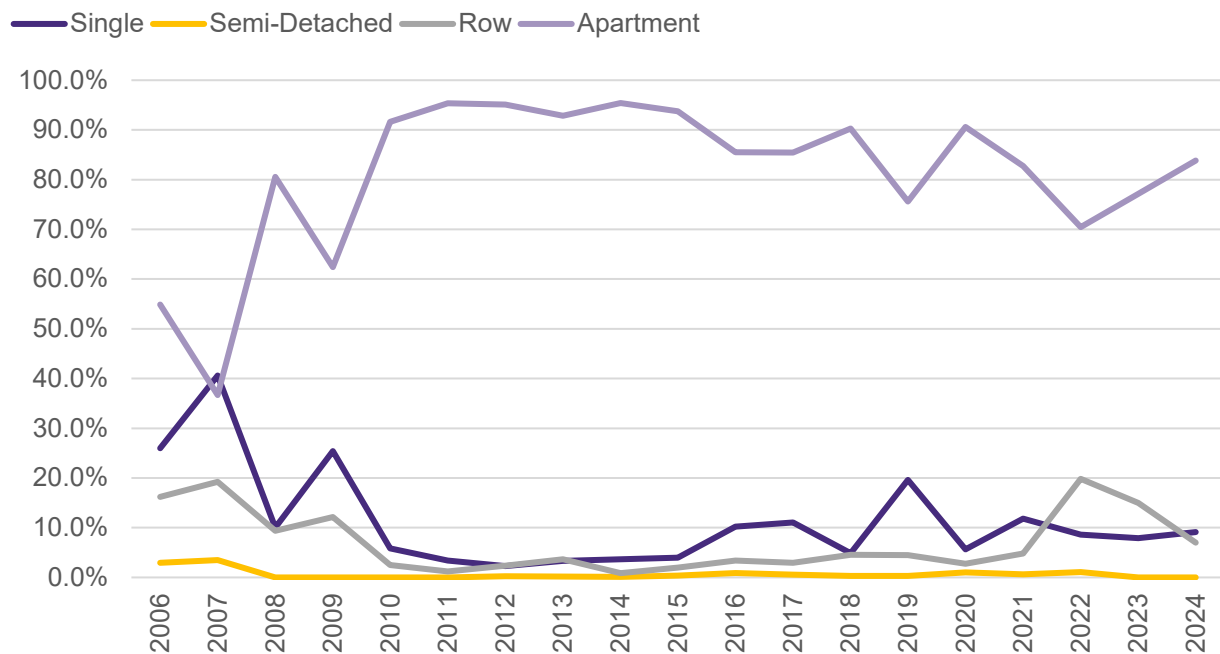
Table 5.9.6 illustrates 2006 to 2024 housing starts by tenure.

5.9.6 Housing Starts by Tenure							
Year	Homeowner	Homeowner Rate (%)	Rental	Rental Rate (%)	Condo	Condo Rate (%)	TOTAL
2006	340	68.5	156	31.5	0	0.0	**496**
2007	309	59.5	191	36.8	19	3.7	**519**
2008	265	36.6	437	60.4	22	3.0	**724**
2009	141	43.8	161	50.0	20	6.2	**322**
2010	123	19.8	354	57.1	143	23.1	**620**
2011	96	9.1	653	62.1	302	28.7	**1,051**
2012	133	11.8	352	31.2	644	57.0	**1,129**
2013	195	34.4	333	58.7	39	6.9%	**567**
2014	204	11.6	548	31.1	1,012	57.4	**1,764**
2015	262	21.5	632	52.0	322	26.5	**1,216**
2016	325	21.6	949	63.0	233	15.5	**1,507**

5.9.6 Housing Starts by Tenure						
Year	Homeowner	Homeowner Rate (%)	Rental	Rental Rate (%)	Condo	Condo Rate (%)	TOTAL
2017	325	40.0	0	0.0	487	60.0	**812**
2018	234	16.2	357	24.7	857	59.2	**1,448**
2019	140	21.0	211	31.6	317	47.5	**668**
2020	308	22.5	460	33.6	600	43.9	**1,368**
2021	172	17.3	0	0.0	825	82.7	**997**
2022	261	28.1	487	52.5	180	19.4	**928**
2023	145	22.8	119	18.7	371	58.4	**635**
2024	124	15.5	339	42.4	336	42.1	**799**

Source: CMHC Starts and Completions Survey

Figure 26 illustrates 2006 to 2024 housing starts by tenure.
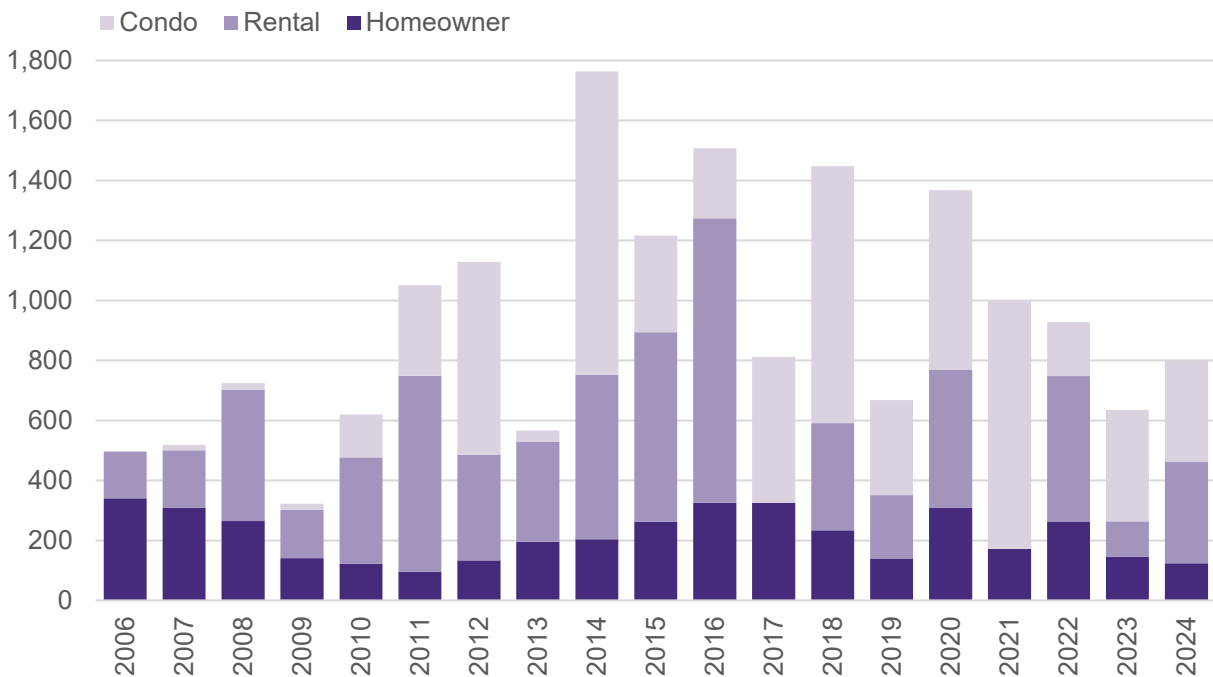

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OBSERVATIONS

• In the year 2022, there was almost a balance between rental and
  owner/condominium housing starts.

• Rental housing starts dominated (more than 50%) from 2008 to 2016,
  except for a couple of anomaly years (2012 and 2014).  Noting that many
  condominium units purchased as investment properties and were rented.

• It is anticipated that rental housing starts will remain strong provided
  CMHC funding incentives remain.
```

Table 5.9.7 housing units - change in housing stock.

5.9.7 Housing Units: Change in Housing Stock		
Characteristic	**Data**	**Value**
Demolished – breakdown by tenure	Tenant	2024 YE: 2
	Owner	2024 YE: 16

5.9.7 Housing Units: Change in Housing Stock		
Characteristic	**Data**	**Value**
Completed – Overall and breakdown by structural type (annual, number of structures)	Total	1,115
	Single	122
	Semi-detached	4
	Row	21
	Apartment	968
Completed – Breakdown by tenure (annual, number of structures)	Tenant	698
	Owner	142
	Condo	275
	Coop	0
Housing starts by structural type and tenure	Total	2023 (al tenure): Single:0 Row Hoe: 95 Semi-dached: 0 Apart: 490 2023 (tenure): Ownersp, Condomnium, Co-op: 516 Rental:
Sources: - Report template - City of Waterloo, Building permits City of Waterloo, Rental licensing data		

6. Projected Housing Needs and Next Steps

This section aims to answer the question, how much and what type of housing is needed to meet the needs of the population over the next 10 years? How will this Housing Needs Assessment (HNA) be meaningfully used in planning and investment decisions?

This section projects population trends from the previous 10 years, dividing by income category and target housing costs while considering migration trends. An example of a benchmarked projection from Edmonton's Affordable Housing Needs Assessment is provided below.
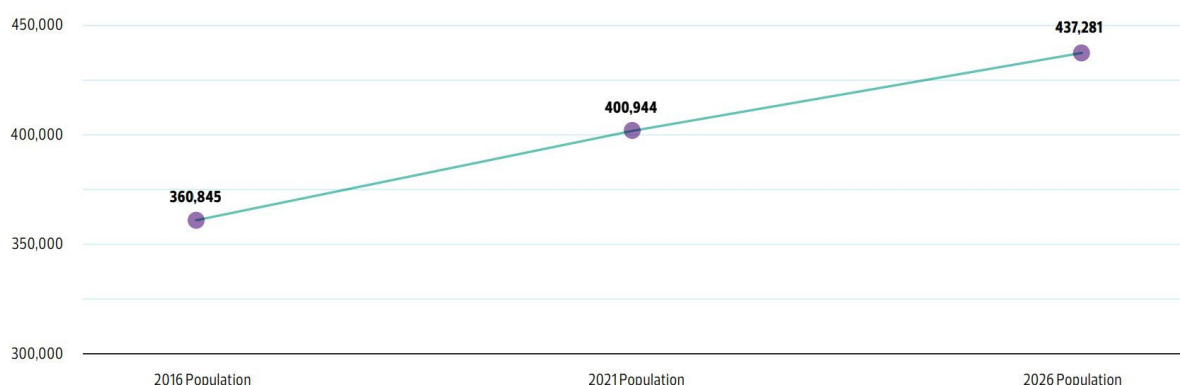
Household Growth Projection 2016- 2026. Source: Edmonton Affordable Housing Needs Assessment – August 2022

HNAs should be able to convey through their data-driven narrative how many housing units are needed by income category, household size and dwelling type over the next 10 years. In completing this section, communities must carefully consider their past growth trends and future demographic projections, including recent immigration patterns, aging population dynamics, and economic trends. Furthermore, it is also crucial for communities to consider any pre-existing housing shortages, as evidenced by indicators such as recent trends in rental vacancy rates, growth in prices/rents, the number of households in core housing need, and the aging of their current housing stock.

6.1 Projection Methodology Guidelines

There are several projection methodologies that can be used to project housing demand, including the HART housing needs projection here. The federal government recommends using the HART methodology as a reference point, with additional considerations and data points to improve the validity of the methodology. These considerations, including economic data integration and supply capacity and gaps as well as steps for calculating the methodology are noted below. Provinces and territories, in consultation with their municipalities/communities, are invited to use a methodology that fits their regional circumstances, ensuring the assumptions that inform their

preferred methodology are also clearly explained The federal government will review the HNAs as a requirement for its various funding programs and assess the methodology and assumptions that inform it for their validity and robustness. If needed, further engagements can take place to better align the preferred methodology with the federal government's expectations.

In employing a projection methodology, jurisdictions may find the following list of key considerations and steps useful. The following approach involves first projecting the population into the future, then projecting household formation from headship rates, and then **demand for housing by tenure, dwelling type and size, family type and income groups**. Following the Population Projection, Household Projection and Housing Demand Projection steps, a table is presented of the key considerations for each step in the process.

Step 1: Population Projection

- Conceptually the projected population is calculated as the survived population + births + projected net migrants. An example of an accepted method to calculate population projection is the Cohort-Component population projection method.

Step 2: Household Projection

- Project family and non-family households separately by multiplying the projected population by age group in a given year with projected headship rates (household formation) by age group in a given year.
    - A headship rate represents the probability that a member of a given age group will head (maintain) a household of a given type (family or non-family). Historical headship rates are calculated as the ratio of household heads in an age group to the population of that age group.
    - Total headship rates can be determined by adding family and non-family headship rates together for a given age group and year. An increase in the total headship of any particular age group means that overall a higher proportion of that group heads households than previously. The converse holds true for a decrease in the total headship rate. Thus, the total rate is an overall indication of the propensity to form households in a particular age group.
- Project both family and non-family households by household type (composition), including couples without children, couples with children, lone parents, multiple-family households, one-person households, and other non-family households. This can be achieved by multiplying the projected number of households in a particular age group by the projected household type proportions for that age group.

- Historical proportions for family households are the ratio of the number of family households of a given type in an age group to the total number of family households headed by that age group.
- Historical proportions for non-family households are the ratio of the number of non-family households of a given type in an age group to the total number of non-family households headed by that age group.
- Project net household formation according to family and non-family household types by calculating the difference between projected households in successive years.
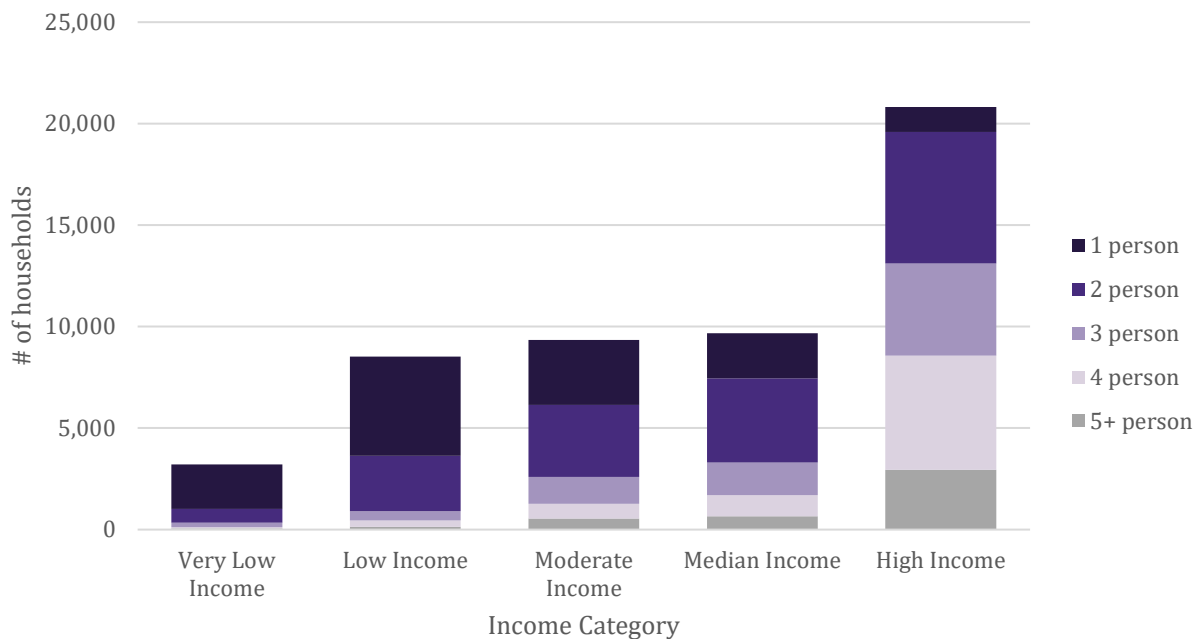

Step 3: Housing Demand (Need) Projection

- Project the number of owner households within a particular age range and household type by multiplying projected household by type (family and non-family) by projected ownership rates.
- Project the number renter households by calculating the difference between projected households and the number of projected owner households.
  - Historical ownership or renter rates are the ratio of the number of owning/ or renter households of a given type and age of head to the total number of households (owners and renters combined) of that type and age of head.
- Project dwelling type (single, semi, row, apartment) by multiplying projected age-specific renter and owner dwelling choice propensities by household type (family and non-family) with the projected number of renter and owner households of the given household type and age group.
  - Historical dwelling choice (occupancy) propensities describe the proportion of a given household type, tenure, and age of head group occupying each of the four dwelling types.
- Finally, communities should integrate assessments of pre-existing housing shortages into their final calculations. This integration should be informed by a thorough review of the preceding quantitative and qualitative analyses within the HNA. Additionally, communities should utilize the data and more advanced methodologies detailed in the Annex to ensure a comprehensive estimation of these shortages.

<u>HART Household Projections – Projected Households by Household Size and Income
Category</u>

- The HART methodology estimates the total number of units by type (number of bedrooms) and with reference to income categories that will be needed to house a community's projected population.

Please use the Housing Assessment Resource Tools Households Projections tab to fill out the table below for your jurisdiction – <u>Housing Needs Assessment Tool | HART</u>

Figure 27: Projected Households by Household Size and Income Category, 2031

6.1.1 Projected Households by Household Size and Income Category, 2031						
HH Income Category	1 person	2 person	3 person	4 person	5+ person	TOTAL
TOTAL	**13,740**	**17,557**	**8,164**	**7,745**	**4,349**	**51,555**
Very Low Income	2,181	687	214	66	56	**3,204**
Low Income	4,897	2,722	461	311	134	**8,525**
Moderate Income	3,199	3,6	1,327	722	551	**9,335**

6.1.1 Projected Households by Household Size and Income Category, 2031						
HH Income Category	**1 person**	**2 person**	**3 person**	**4 person**	**5+ person**	**TOTAL**
Median Income	2,222	4,146	1,607	1,032	659	**9,666**
High Income	1,241	6,466	4,555	5,614	2,949	**20,825**
Source: University of British Columbia - Housing Assessment Resource Tools (HART)						
Note: HH: "Household"						

Figure 28: 2031 Household Projections by Income Category
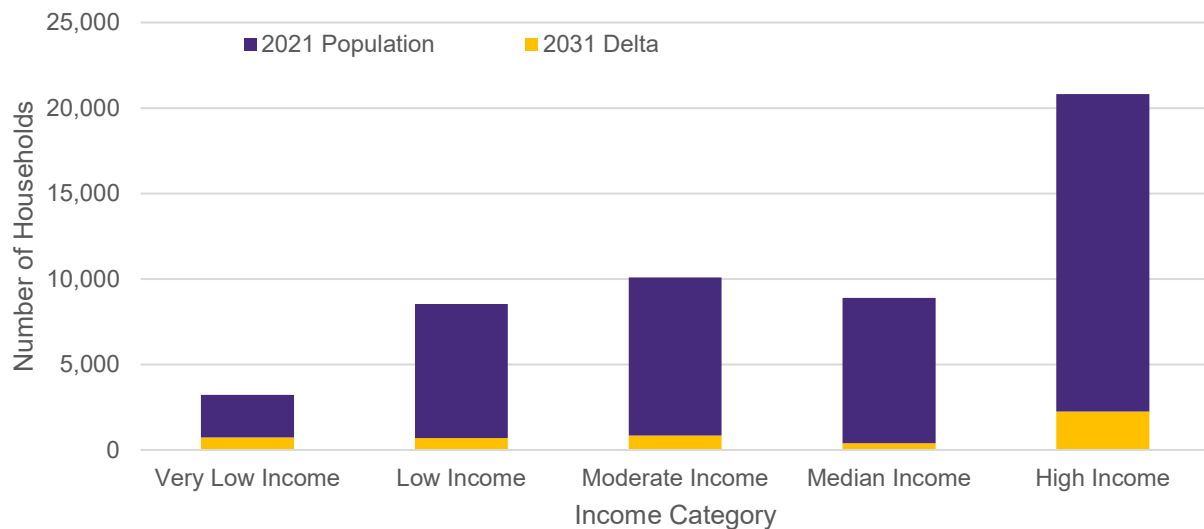
6.1.2 2031 Household Projections by Income Category			
HH Income Category	**2021 HHs**	**Projected Net Gain/ Loss of HHs by 2031**	**TOTAL**
TOTAL	**46,630**	**4,919**	**51,549**
Very Low Income	2,475	739	**3,214**
Low Income	7,840	694	**8,534**
Moderate Income	9,245	839	**10,084**

6.1.2 2031 Household Projections by Income Category			
HH Income Category	2021 HHs	Projected Net Gain/ Loss of HHs by 2031	TOTAL
Median Income	8,500	400	**8,900**
High Income	18,570	2,247	**20,817**
Source: <u>University of British Columbia - Housing Assessment Resource Tools (HART)</u>			
Note: HH: "Household"			

Key Considerations

Population
- It is strongly advised to use the updated post-census population estimates for 2022 as your base population provided by Statistics Canada's demographic estimates division. These estimates account for any discrepancies in population counts, whether they are undercounts or overcounts. These estimates also smooth out the sharp downturn in immigration due to the pandemic in 2020/21. Please refer to annex for links to Statistics Canada CSD and CMA estimates.

- If historical fertility, survival and mortality rates by age category are stable and not trending, apply average historical rates to current population by age to project forward. If rates do trend by age over time, estimate the average change in rates in percentage points and add to current rates when projecting forward for the baseline scenario.

- For larger communities and centres where the data exists, disaggregate and project baseline net migration flows for respective components (i.e., net interprovincial, net intra migration and net international). Disaggregate net international migration and project its components further (emigration, returning Canadians, non permanent residents, etc.) and use recent growth trends per flow to project total net international migration. In projecting international migration, it will be important for communities to use the more updated federal immigration targets as an anchor.

- Because of the economic uncertainty triggered by the COVID-19 pandemic and potential future shocks, larger communities are expected to create one additional population scenario (high) to supplement the baseline. Utilize StatsCan projection methodology for fertility, survival, and migration to establish the high scenario. Consult Statistics Canada's population projection report cited in the appendix. Communities should avoid using low population or migration scenarios to prevent housing need undercounting.

- **Smaller Communities:**

  – In smaller centers where population projection scenarios are unavailable from StatsCan, but there is the capacity to generate them, cities can resort to using historically high population growth rates or migration scenarios as alternative methods for projecting future population.
  – One industry communities should also develop multiple population scenarios to manage economic volatility

Household Projections
- Headship rate is commonly defined as the ratio of the number of households by age to the population of adults by age in each community and can be used to project future households.

- If historical headship rates data is not trending or stable by age, apply the average historical census family/non-family headship rates by age group to the corresponding population within each age group.

- If historical headship rates by age is showing a trend over time, include the average historical census family/non-family headship rates percentage point change to the current headship rate. Subsequently, apply these adjusted headship rates by age to the corresponding population within each age group. By incorporating average historical headship rates into household projections, communities can mitigate the impact of potential decreases in recent headship rates that may be due to housing unaffordability, therefore avoiding artificially low household projections.

- **Optional for Smaller Communities:**

    – For the younger population aged 18-34, predict family/non-family headship rates using economic modeling. See UK study in annex for further guidance.

    – Project household composition by family/non-family households using latest census proportions by family type.

    – Project household size by age for family/nonfamily type by dividing population by households.

Housing Demand

To project housing demand by tenure:

- If ownership rates for family/non-family households within specific age groups are not showing a trend over time, apply the average historical ownership rates to projected households by age. The remaining households are considered renter households by age.

- If ownership rates for family/non-family households within specific age groups are trending over time, include the average historical percentage point change to the current ownership rates. Apply these adjusted ownership rates to household counts by age to project tenure by age. The remaining households are considered renter households by age.

To project housing demand by dwelling type:

- If historical dwelling propensities by family type, age, and tenure are not exhibiting a trend, apply the average historical demand propensity by type, age, and tenure to project households by type, age, and tenure.

- If historical demand type propensities are trending, incorporate the average percentage point change in demand type propensities to the current propensities. Apply these adjusted propensities to household types to estimate future dwelling propensities.

Economic Data Integration
- Relying solely on traditional demographic approaches to forecast housing needs can underestimate housing demand.

- Headship rates by age and family type can be projected by considering economic factors as explanatory drivers. These factors could include income, unemployment rates, prices, rents, and vacancy rates.

- CMHC is developing models to project headship rates for household maintainers aged 18-34 in provinces and larger metropolitan areas. Larger communities can benefit from leveraging these projections.

- Using an economic approach to project headship rates and incomes facilitates the estimation of household counts by age, size, tenure, and income. When integrated with dwelling type, price, and rent data, this approach assists in identifying potential households in core housing need.

Supply Capacity & Supply Gaps
- Housing need projections should be adjusted upwards or downwards to account for the **net effects** of conversions, demolitions, and vacant units in each community.

- Where data is available, communities should assess future capacity by compiling data on draft approved serviced lots, categorized by dwelling type and tenure, that will be available for residential development. When combined with household projections by dwelling type and tenure, help estimate supply gaps

- In addition, larger communities can leverage supply gap estimates from CMHC to help inform where need is greatest and to identify housing shortages.

- **Optional for Smaller Communities:**

    - Comparing housing need projections with supply capacity will enable communities to identify potential gaps in supply by dwelling type and tenure.

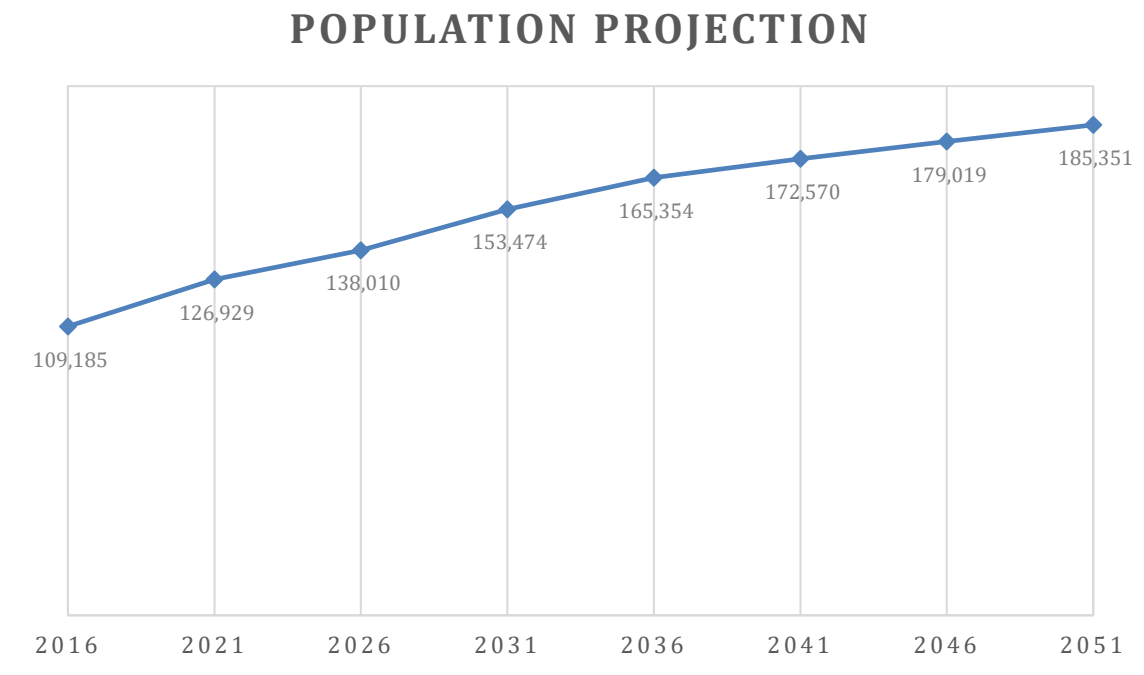Figure 29: Population Projection: 2016 to 2051

POPULATION PROJECTION

185,351
179,019
172,570
165,354
153,474
138,010
126,929
109,185

2016   2021   2026   2031   2036   2041   2046   2051

6.2 Projection Methodology

Please outline the methodology and calculations used to complete the projections here, including any assumptions made.

To ensure consistent year-to-year comparisons in Figure X, the historical population count for 2016 has been adjusted to exclude the Census undercount (around 4%). Moreover, the population projections in Section 6.1, from 2021 onward, follow the Region of Waterloo's projections to 2051, which align with the City of Waterloo's Regional Official Plan.

It is important to note that Census data and these projections do not accurately account for the significant number of domestic students who live temporarily in the City.

The Regional Official Plan projections in Section 6 provide a long-term outlook to 2051 and, therefore, may not accurately predict shorter-term changes by 2031 as population growth is expected to fluctuate throughout the 30-year period from 2021 to 2051. Meanwhile, regional year-end estimates are intended to show year-over-year growth and include additional domestic post-secondary students. Due to these differences, the population and household data from Section 6 is not directly comparable to the regional population data in Section 4.5.

Values in Tables 6.2.1, 6.3.3, and 6.3.2 are based on population and household data from the Region of Waterloo's population and employment projections. For more detailed projections, specific estimates were unavailable. Instead, projections were developed using 2021 Census data as a baseline to estimate the expected population and households in 2031.

This method has some limitations. For example, Census data reports the number of bachelor, 1-bedroom, 2-bedroom, 3-bedroom, and 4-or-more bedroom units, but does not include data for 5-bedroom units. To address this gap, bachelor and 1-bedroom units were combined into a single "1-bedroom" category.

Due to the use of multiple data sources, gaps in the data, and rounding, different characteristics found in the tables may not be comparable.

6.2.1 Projections		
Characteristic	**Data/Formula**	**Value**
Women by age distribution (# and %)	0-14	11,491 (15%)
	15-19	4,470 (6%)
	20-24	6,671 (9%)

6.2.1 Projections		
Characteristic	**Data/Formula**	**Value**
	25-64	39,470 (52%)
	65-84	11,514 (15%)
	85+	1,879 (2%)
Male Births	Births x Estimated Proportion of Male Births	
Female Births	Total births – Male Births	
Survival Rate	Survival rate for those not yet born at the beginning of the census year	
Net Migrations	Net migration (in and out) of those not yet born at the beginning of the census year	
Projected Family Households	Age-group population x projected age-specific family headship rate	15 to 24 - 606 25 to 34 - 5,281 35 to 44 - 10,497 45 to 54 - 8,070 55 to 64 - 6,394 65 to 74 - 5,101 75 to 84 - 2,672 85+ - 632
Projected Non-family Households	Age-group population x projected age-specific non-family headship rate	15 to 24 - 4,143 25 to 34 - 5,313 35 to 44 - 2,540 45 to 54 - 1,590 55 to 64 - 1,803 65 to 74 - 2,610 75 to 84 - 2,004 85+ - 754
Total Projected Headship Rate	Family headship rates + non-family headship rates	40.0%
Projected Net Household Formation	Projected households by type (family and non-family) (Year 2) – Projected	14,271

6.2.1 Projections		
Characteristic	**Data/Formula**	**Value**
	households by type (family and non-family) (Year 1)	
Projected Owner Households	Projected households by type, year and age group x Projected ownership rate by type, year and age group	Single detached: 27,618 Apartment: 4,321 Other attached: 4,081 15 to 24: 682 25 to 34: 3,256 35 to 44: 5,836 45 to 54: 7,915 55 to 64: 8,112 65 to 74: 5,854 75 to 84: 3,104 85+: 1,261
Projected Renter Households	Projected households by type, year and age group – projected owner households by type, year and age group	Single detached: 2,593 Apartment: 17,500 Other attached: 5,873 15 to 24: 6,450 25 to 34: 7,656 35 to 44: 3,340 45 to 54: 2,305 55 to 64: 2,112 65 to 74: 1,589 75 to 84: 1,240 85+: 1,273
Projected Dwelling Choice	Projected households by type, tenure and age group x projected dwelling choice propensities by type, tenure and age group	Single detached - 29,527 (Choice) Semi-detached - 2,775 Row - 6,940 Apartment - 20,641

6.3 Population and Households Projections

6.3.1 Anticipated Population by 2031		
Characteristic	**Data**	**Value**
Anticipated population	Total	153,474
Anticipated population growth	Total	32,038
	Percentage	26.4%
Anticipated age	Average	38.5
	Median	37
Anticipated age distribution (# and %)	0-14	23,572 (15%)
	15-19	9,305 (6%)
	20-24	14,478 (9%)
	25-64	81,243 (53%)
	65-84	21,748 (14%)
	85+	3,128 (2%)

6.3.2 Anticipated Households by 2031		
Characteristic	**Data**	**Value**
Current number of households	Total	52,770 in 2024 (and 49,983 in 2021)
Anticipated number of households	Total	61,311
	Average	--

6.3.2 Anticipated Households by 2031		
Characteristic	**Data**	**Value**
Anticipated Household Age	Median	--
Anticipated Households by Tenure	Renter	18,205
	Owner	28,840
Anticipated Units by Type	Total	60,010
	Single	29,527
	Semi-detached	2,775
	Row	6,940
	Apartment	20,641
Anticipated Units by Number of Bedrooms	1 bedroom	7,081
	2 bedroom	13,922
	3 bedroom	21,964
	4 bedroom	17,043 (includes 5+ bedrooms)
	5 bedroom	--
Anticipated Households by Income	Average	10,311
	Median	9666
	Very Low	3204
	Low	8525
	Moderate	9335
	High	20825
Anticipated average household size	Total	2.5
Draft approved lots by planned housing type	Total	Source – Region of Waterloo Growth Analysis Bulletin – May 6, 2025 As of December 2024

6.3.2 Anticipated Households by 2031		
Characteristic	**Data**	**Value**
		Single detached - 70
		Semi-detached – 0
		Townhouse - 57
		Apartment - 585
		Total - 712
approved lots by tenure	Tenant Draft	Source – Region of Waterloo Growth Analysis Bulletin – May 6, 2025 Note that tenure has not been determined until a Draft Plan of Condominium is submitted and considered.
	Owner	**Registered – Unbuilt** – Single Detached - 196 Semi-detached - 22 Townhouse - 115 Apartment - 650 **Total - 993** **Pending Draft Plans of Subdivisions** Single Detached - 747 Semi-detached - 0 Townhouse - 1,083 Apartment - 2,457 **Total - 4,266**

Source: Region of Waterloo *Based on available data from the 2021 Census, includes adjustments for recent residential development, students and other foreign/temporary residents, net Census undercount, and vacancy rates. Due to various corrections and adjustments, direct comparison to previous year's estimates are not valid

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OBSERVATIONS

- ***The number of Draft Plans of Subdivision nd the effect on providing housing is reducing over time given the city has reached the planned urban boundary.***

- ***Site Plans and Draft Plans of Condominium has a greater influence on the number of new residential units available.***

- ***The tenure of housing is determined when a Draft Plan of Condominium is proposed.***

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7. Use of Housing Needs Assessments in Long-Term Planning

7.1 This final section aims to determine how your community anticipates using the results and findings captured in the Housing Needs Assessment to inform long-term planning as well as concrete actions that can address identified needs. Please use the following questions to describe how those linkages will be made.

- **How will this HNA inform your official community or development plan, housing policies and/or actions going forward?** For example, if the HNA identifies specific needs in your community across the housing spectrum – such as housing needed for priority populations, units for large households in denser form factors, more diverse structural types such as missing middle housing, or more affordable and higher-density housing near transit - how could actions and changes in policy and planning help address those needs?

The findings, observation and key takeaways of this Housing Needs Assessment should serve as a resource tool for council, housing providers, the municipality, the region and the community. This document will guide and inform several housing and policy initiatives underway and to be completed in the future.

The province and the city through approved and future policy directions already provide guidance to the direction of the urban form including housing through building inward and up within planned strategic redevelopment areas. Traditionally, there has been a general understanding of market housing, the Housing Needs Assessment provides a lens into core housing needs and the levels of affordability needed.

- **How will data collected through the HNA help direct those plans and policies as they aim to improve housing locally and regionally, and how will this intersect with major development patterns, growth management strategies, as well as master plans and capital plans that guide infrastructure investments?**

The approved public planning framework provides clear direction to the direction of growth management, the urban boundary and population growth for the city. While the edge is defined and protected, the public policy framework also defines the land uses based on several key policy/land use criteria. The value of the Housing Needs Assessment is to further refine the land uses to ensure that the continuum of housing and needs are addressed.

The Housing Needs Assessment will provide guidance and background tool for future updates to the Official Plan.

The Region of Waterloo is completing density distribution studies throughout the region, involving capacity for utilities which the Housing Needs Assessment could provide better context of need.

The Grand River Transit (ION and Bus System) could utilize the Housing Needs Assessment to help review transit routes and anticipated ridership for efficient transit planning.

The Boards of Education could utilize the Housing Needs Assessment for school enrollment projections, facilities planning and transportation needs.

Housing providers could utilize the Housing Needs Assessment to help define the projects that they would pursue.

- **Based on the findings of this HNA, and particularly the projected housing needs, please describe any anticipated growth pressures caused by infrastructure gaps that will need to be prioritized and addressed in order to effectively plan and prepare for forecasted growth. This can relate to any type of enabling infrastructure needed for housing, including fixed and non-fixed assets, as well as social, community or natural infrastructure that your local government has identified as a priority for fostering more complete and resilient communities.**

Examples may include:

- Will your public transit system have the capacity to meet increasing demand?
- Will your water and wastewater system have the capacity for additional connections based on the amount of new housing units that will need to be built?
- Will new roads or bridges need to be built to serve new or growing communities?
- Will new schools, parks, community or recreational centres need to be built to serve new or growing communities?
- Will broadband service and access need to be significantly expanded to help new residents and businesses connect? Are there any climate risks or impacts that will affect new growth?

Through the Province, the Region and the City all have demonstrated over time an understanding of growth pressures and how to management growth and the changes and demands that can occur. The public planning framework has kept pace with the pressures and demands.

The region through the annual monitoring of water and wastewater, their 10 year Capital Budget, and the City through their 10 year Capital Budget and the associated yearly reviews help manage growth and the pressures.

Both the region and the city utilize Development Charge By-laws based on comprehensive Background Studies in coordination with other programs to help guide municipal expenditures and payments from private interests through development applications.

Within the planning horizon there are no significant concerns related to municipal infrastructure within the city to the planning horizon.

There are three level of roads: provincial, regional and city with each jurisdiction in coordination with the others being responsible for the ongoing maintenance. The region is responsible for the provision of wastewater and water with the city for the distribution of these services. The region, through an annual report, demonstrates where infrastructure improvements are required and appropriately include those within capital forecasting, budgets and funding sources including Development Charges. The city maintains an inventory of their infrastructure and ensures that on-going maintenance and emergency repairs are addressed. The city also plans capital expenditures through their capital budget and Development Charges to ensure timing of works and funding sources are provided.

All development applications are reviewed to ensure that municipal infrastructure is available, or how it would be provided and can support the proposed development.

8. *KEY TAKEAWAYS*

The Housing Needs Assessment provides a lens into the past, where we are today and guidance for future needs. This assessment is acknowledged as 'snap shop' in time and is recognized that overtime adjustments would be made based on the available information at that time. The economy has significant influence on housing, and both recently elected federal and provincial governments campaigned on a promise to address economic challenges, providing more housing and in particular affordable housing additional monitoring is justified. While the next Housing Needs Assessment is not required to be updated for five years, there may be merit in undertaking the next review earlier should it be warranted.

In no particular order of importance or priority, through the completion of this Housing Needs Assessment and other supportive work, a number of 'Key Takeaways' have been identified for future discussions and directions.

Key Takeaways:

The importance of maintaining the policy, regulations and programs up to date.

- Over the last several years there have been significant and consequential provincial changes to policy, regulations and programs that affect land use planning, development review and approvals.

- Maintaining up-to-date policy, regulations and policies provides for a more efficient implementation, review and approval process including greater certainty for all parties.

- The city has diligently reviewed, modified and implemented the policy and regulatory framework changes. Many of these changes require community consultation, technical review, decision of council and approval.

- Official Plan Amendment No. 58 addressing many of these changes is before the Minister and to date has not received a Notice of Decision.

Greater Certainty, Time and Costs

- **Greater Certainty** - The city has taken steps to ensure that the public planning framework is up to date, and clear in what is required to provide for successful implementation. From time to time, the city reviews the framework and undertakes housekeeping modifications. The myriad of legislative changes have or are being addressed.

- **Time** - Given recent legislative changes, the city is now the Approval Authority for many of the Planning Act processes that provide housing. The city is evaluating the Community Planning Permit System. The city has allocated additional staffing resources to support the review and approvals processed. There needs to be better coordination between all parties to ensure complete submissions receive a timely decision. There is anticipation that these changes should reduce the review/approval time.

- **Costs** – One of the key costs that the municipality here is the cost of Development Charges. The process and methodology of calculating Development Charges is legislated. Development Charges play a key role in funding municipal infrastructure that is necessary to support redevelopment. Municipalities have limited revenue streams. Recently, the time when Development Charges are calculated was amended to the Site Plan stage and not the Building Permit stage. Legislation proposes to amend the date when Development Charges are to be paid to occupancy of the dwelling. These two changes may assist the development industry but may create a cash flow issue or delay infrastructure projects for the municipality. In leu of Development Charges what is the alternative source of funding municipal infrastructure.

The significant role that post-secondary students play in influencing housing within the city.

- Whether it be the city planning framework or the built form of development surrounding the two universities and one college, the housing needs for students is a key driver for housing within the city.

- While the schools provide on-campus housing, there is still a reliance on the market base housing to provide additional housing, especially in proximity to the schools.

- Housing projects can take several years from property acquisition, concept development, secure development approvals, funding, construction before occupancy can occur and could be over several housing cycles. Therefore, a

policy change such as the number of international student visas permitted can disrupt the housing cycle.

- Market base housing relied in part on a healthy investor market which international students supported. With limitations on international student visas permitted this has affected investor participation and reduced the demand for housing.

To develop a diverse 'toolbox' for housing.

- The city has comprehensively developed or are in the process of developing a 'toolbox' that supports housing. Primary direction of the city has focused on supporting 'affordable housing.'

- It is important to evaluate all options and to provide a diversity of options with the 'toolbox' to assist with providing more housing options and to support affordable housing.

- Generally, the city has updated the Official Plan (pending approval), the Zoning By-law, reviewed other policies and procedures and appropriately added additional resources to support the volume of development applications and policy changes being undertaken.

- The city has approved implementation of:

  - **Municipal Land Program** - 2025 University Avenue east, the sale of city owned lands to private interests with restrictions to provide for the development of affordable and attainable housing within a new neighbourhood concept.

  - **Employment Land Conversion** - Approved Official Plan and Zoning By-law Amendments to enable residential land uses with employment and commercial areas 'as of right' on specific lands.

  - **Additional Residential Unit** - Approved, provides for as-of-right to have up to 4 additional residential units. Approved, Webpage and Guide to assist with understanding the process and requirements. Under consideration is a financial incentive to provide for affordable rental units.

  - **Inclusionary Zoning** - Approved, provides for a set aside rate of gross leasable area of market based housing located within a Protected Major Transit Station Area for affordable housing. Implementation date to be determined.

  - **Former Kraus Lands** - Council deemed the lands surplus and have agreed to sell approximately 13 hectares to a developer for neighbourhood scale development which would include residential,

community amenities (commercial, community gardens, parks and open spaces etc.), trail connections and provide for sustainability features. It is estimated that there could be approximately 1,800 residential units within townhouses, stacked townhouses and low-rise apartment residential (2 to 6 storeys). The number of affordable housing units would be approximately 100 units integrated throughout the development.

- The city is proposing additional policies and regulations for:

  - **Columbia Street West Corridor/Missing Middle** - launched and the evaluation of an Official Plan and Zoning By-aw Amendments to create a planning framework to support appropriately 6 to 8 storey residential buildings.

  - **Online Development Portal and Application Review System** - launched and evaluation of an on-line system to modernize and accelerate the application and review process for new housing developments.

  - **Multi-Residential Unit Acquisition Program** - launched and evaluation of a municipal policy that provides a city grant program to support not-for-profit providers to acquire and protect existing rental developments. Adding additional affordable rental units is encouraged.

  - **Community Planning Permit System** - launched and under evaluation to combine Zoning By-law Amendments, Site Plan application into one application, review and approval process.

  - **Enable Redevelopment of Places of Worship for Housing** - launched and under evaluation to amend the Official Plan and Zoning By-law to permit multi-unit housing on Places of Worship properties.

  - **Rental Housing Licensing By-law** – launched and evaluation of a by-law to provide for licensing of rental buildings/units to ensure inspections of rental units and posting of results.

- Engagement:

  - The city meets with the other municipalities on a regular basis to discuss policy and regulations initiatives to ensure consistency and **'best practices'** approach.

  - The city meets with housing providers on a regular basis specifically related to policy and regulation changes to exchange ideas, concerns and solutions.

- o The city has a planner dedicated to policy-affordable housing which can be the first contact at the city by housing providers and the community.

- o The city has a transparent comprehensive and digital framework for consultation with the community in addition to the traditional notices, signs and public meetings.

Not all affordable housing tools are equal.

- The implementation of Inclusionary Zoning is dependent upon market housing proceeding. Therefore, no market housing, then no affordable housing units being set aside. At this time, there is a significant supply of approved market housing residential units that would only require a building permit.

  As outlined within this report the current economic conditions do not support market residential units proceeding for a variety of reasons. The timing when market conditions would support Inclusionary Zoning is difficult to predict given recent events.

  It is further noted that the legislated maximum set aside rate is 5%. The intent is to phase in the percentages beginning when implemented at 1% of gross leasable floor area to the maximum 5%.

- When municipal land is provided as part of the development such as with 2025 University Avenue East or Former Kraus Lands, University Avenue East, the requirement to provide affordable housing is not legislated but negotiated. Between these two projects it is estimated that 1,100 affordable housing units could be provided.

- Waterloo Region Housing is redeveloping 420 Kingscourt Drive to build a six storey apartment building for 73 families with units ranging from 1 to 5 bedrooms.

- All housing and affordable housing tools are necessary. To address affordable housing consideration should be given to develop on publicly owned land, provide funding to housing providers such as Waterloo Region Housing or provide funding to the city for grants to support the many municipal housing initiatives within their toolbox.

The city built urban form is maturing and housing needs changing.

- Development is nearing the planned urban boundary, the public planning framework is directing development more inward and up through infill and intensification within Protected Major Transit Station Areas, Nodes and Corridors and some within existing neighbourhoods.

- The integration of the ION and GRT bus systems together with the extensive trail network (on road and off-road) provides a viable alternative to roads for travel within and to adjacent municipalities. It has been said that the ION was a land use tool and not just a transit system as evidenced by the new development within the city.

- The role of Draft Plans of Subdivisions as the principal tool to provide for housing has given way to Site Plans and Draft Plans of Condominium. Minor Zoning By-laws or Minor Variances remain the principal tool to address minor regulation changes to support developments.

- The trend and the majority of development applications provide for infill and intensification by implementing public policies and the utilization of existing municipal infrastructure.

- The trend and the majority of building permits relate to mid to high-rise residential buildings including mixed-use buildings as provided through the public planning framework.

- It is anticipated that within existing neighbourhoods through minor infilling and intensification, will be provided through such recent policy changes that include Additional Dwelling Units or the recently approved Four Storey-Four Unit policies.

Core housing needs require concerted effort from all levels of government.

- There are significant challenges within the city for core housing for both owner and rental households.

- Market base housing cannot address the core housing needs for Very Low and Low Income housing and maybe challenged to meet Moderate Income housing.

- To address core housing needs for Very Low and Low Income housing and potentially some Moderate Income housing requires government intervention of programs and funding to support Regional Housing and not-for profit providers to address.

- Within core housing need, government programs and funding should focus on improving the quality of housing for renters and owners to ensure that their housing is adequate and in good repair. The programs must first address the state of repair and can focus on sustainability matters secondary.

The city is a stop for some but not for all in the 'drive until you qualify' pathway.

- The Housing Needs Assessment demonstrates that not all households can afford the housing provided within the city whether it be owner or rental, low-rise, mid-rise or high-rise.

- It is anticipated that even with intervention of new programs, support and other means that not all residents would secure affordable housing.

- Just as many would not secure affordable housing with the Greater Toronto Area and thus travel outward for housing affordability, many would not find affordable housing within the city and thus travel outward until they qualify to other municipalities within the region and beyond.

The economy and the perception of the economy is critical for housing.

- The ebbs and flow for the cost and the number of new housing units that occur over time can be easily measured by economic events and significant economic policy shifts.

- Consumer confidence in the economy and in the status of employment are critical in housing decisions.

- It is our understanding that current development approvals have created a large inventory of residential developments that could proceed with construction should market conditions support sales. The industry has advised that the large available inventory is due partly to the delivery of housing at current housing market costs (fees, charges, construction, financing etc.) is more than the sales of existing units would provide.

- Interest rates and the qualifications for home purchase all influence when renters move to home purchase.

- For renters it is the uncertainty of rent increases, ownership changes, renovations and displacement or the sale of buildings that create uncertainty and stress.

- The city is preparing a policy (MURB- Multiple Unit residential Acquisition) for council consideration in the fall of 2025 that would assist through a grant private not-for-profit organizations purchasing existing rental buildings with the intent to undertake necessary repairs, add additional rental affordable residential units and ensure that the building remains as a rental property.

- There is an unanswered question:

  When did the ownership of a home become viewed as an investment and not necessarily where families are raised and are part of the community?

Supporting a dialogue on housing.

- The preparation of this Housing Needs Assessment was the result of discussion and information sharing with key housing providers (public and private, market

based and not-for profit), the Region of Waterloo and the other adjacent municipalities.

- The result for the completion of the Housing Needs Assessment is that seven reports will be completed (Waterloo, Kitchener, Cambridge, Woolwich, Wilmot, Wellesley and North Dumfries) within our region and in our perspective, unfortunately not one from the Region of Waterloo who play a critical role in housing.

- It is our perspective that for an area population in 2025 of approximately 700,00 residents and with projected population by 2050 of 1,000,000 residents that have shared housing issues, concerns and needs, there should be a forum for better shared dialogue on housing. Partially, this could have been addressed if one Housing Needs Assessment was prepared in coordination and input from all municipalities.

It is for these reasons that we encourage and propose that a Housing Symposium be coordinated with representation from federal, provincial, municipal, market base housing providers, not-for-profit housing providers and the community get together. This meeting would focus on the objective of having a conversation on identifying the key housing issues and defining solutions within a results oriented approach. The city should take the lead in coordinating, organizing and promoting hopefully an annual event.

Annex A: Relevant Links for Developing Housing Needs Projections

Data and Analysis

Housing Statistics - Statistics Canada

Population estimates, July 1, by census subdivision, 2016 boundaries (statcan.gc.ca)

Population estimates, July 1, by census metropolitan (statcan.gc.ca)

Population and demography statistics (statcan.gc.ca)

Population Projections for Canada (2021 to 2068), Provinces and Territories (2021 to 2043) (statcan.gc.ca)

Housing Market Information Portal

UrbanSim – Scenario Modeling

Reports & Publications

Housing Markets Insight - CMHC's household projections for 8 of Canada's major urban centres until 2042

CMHC - Housing Shortages in Canada Report

University of British Columbia - Housing Assessment Resource Tools (HART)

University of London - Affordability targets: Implications for Housing Supply

Nova Scotia Housing Needs Assessment Report Methodology

Ontario Land Needs Assessment Methodology

British Columbia Affordable Housing Need Assessment Methodology

Annex B: Glossary

Affordable Housing: A dwelling unit where the cost of shelter, including rent and utilities, is a maximum of 30% of before-tax household income.

Area Median Household Income: The median income of all households in a given area.

Cooperative Housing: A type of residential housing option whereby the owners do not own their units outright. This would include non-profit housing cooperatives, as stand-alone co-operatives or in partnership with another non-profit, including student housing co-ops, as well as Indigenous co-ops, including those in partnership with Indigenous governments and organizations. This does not, however, include homeownership co-ops or equity co-ops that require an investment, which along with any profit earned, is returned to co-op investors.

Core Housing Need: Refers to whether a private household's housing falls below at least one of the indicator thresholds for housing adequacy, affordability or suitability, and would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (attains all three housing indicator thresholds).

- *Adequate* – Does not require any major repairs, according to residents. Major repairs include those to defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings.
- *Suitable* – Has enough bedrooms for the size and make-up of resident households, according to guidelines outlined in National Occupancy Standard (NOS).
- *Affordable* – All shelter costs total less than 30% of a household's before-tax income.

Household: A person or a group of persons (other than foreign residents) who occupy a private dwelling and do not have a usual place of residence elsewhere in Canada.

Household Formation: The net change in the number of households.

Supportive Housing: Prioritizes people experiencing chronic homelessness and other vulnerable people who have the highest support needs. It provides long-term affordable housing and a diversity of customized support services.

Permanent Supportive Housing: Prioritizes people experiencing chronic homelessness and other vulnerable people who have the highest support needs. It provides long-term affordable housing and a diversity of customized support services.

Purpose-Built Rental: Also known as the primary rental market or secure rentals; multi-unit buildings (three or more units) which are built specifically for the purpose of providing long-term rental accommodations.

Short-Term Rentals: All or part of a dwelling unit rented out for less than 28 consecutive days in exchange for payment. This includes bed and breakfasts (B&Bs) but excludes hotels and motels. It also excludes other accommodations where there is no payment.

Suppressed Household Formation: New households that would have been formed but are not due to a lack of attainable options. The persons who would have formed these households include, but are not limited to, many adults living with family members or roommates and individuals wishing to leave unsafe or unstable environments but cannot be due to a lack of places to go.

Missing Middle Housing: Housing that fits the gap between low-rise, primarily single-family homes and mid-rise apartment buildings, typically including secondary and garden suites, duplexes, triplexes, fourplexes, rowhouses and townhouses, courtyard housing, and low-rise apartment buildings of 4 storeys or less. These housing types provide a variety of housing options that add housing stock and meet the growing demand for walkability. The missing middle also refers to the lack of available and affordable housing for middle-income households to rent or own.

ANNEX C

Summary of Meeting Notes from Consultation/Interviews.

City of Waterloo Interview Notes - April 2025

Groups Engaged:
- Region of Waterloo Housing Services
- Places4Students
- Supportive Housing of Waterloo (SHOW)
- Central Ontario Co-operative Housing Federation (COCHF)
- Build Urban

Region of Waterloo Housing Services

1.Could you tell us about the Region's role as it relates to housing in the city of Waterloo, your role?
- Assist private and non-profits to build affordable housing
- Handle some land use planning matters, although the Region's role is changing due to approvals moving to local municipalities
- Region manages 7 municipalities
- Recent project that the Region worked on is Parking Reductions for Affordable Housing
  - Hired an outside consultant support parking needs (reduced parking rates), reduce parking requirements
- Their Housing Development team maintain data and respond to data requests as it relates to housing
- Waterloo Region Housing (WRH) Revitalization Plan
  - Working on redeveloping 6 WRH sites to create at least 600 net new units
  - Maintain and operate existing stock and divestment opportunities
- Focus on Community Housing and Affordable rental housing part of the housing continuum

Challenges:

2. Can you provide the organization's perspective on the range of housing needs in the City? How it differs from Kitchener and Cambridge
- Limited greenfield land supply, some parcels by rim park
- City had call for proposals, desire to focus on infill development
- WRH by Conestoga mall redeveloping 416 Kingscourt

- o The site is located near a light rail transit station and many community amenities. Will contain at least 70 units ranging between 1 and 5 bedrooms.
- Student housing impacts the rental housing market, CMHC tries to exclude the student rent prices but is unsuccessful
- Rents are higher cost than ownership in Waterloo

3. What are the biggest contributing factors to current housing issues in the City?
 - students have
- CMHC rent rates around the university are noticeably higher
- Changes in international student population may affect Waterloo's student population in the next few years
- Housing costs increasing more than inflation
- Loss of older stock of affordable housing

4. What are the greatest challenges and issues that you see in creating housing in the City?
- Land availability, land in waterloo more limited than in Kitchener and Cambridge

*Available Support and Services: (*where applicable)

5. Related to housing, what type(s) of supports do you feel could best support people in the community? Are they available today?
- Need to have different supports across the housing spectrum not a one size fits all (i.e. non-profits and coops can provide benefits for specific households)
- Affordable home ownership program
- Ontario renovates programs for maintaining existing buildings
- As service manager WRH uses RFP process to help groups faith/non-profits to provide financing, and explore the potential on their sites
- Inclusionary zoning policies, Region would administer the units that the city zones
- Development Charges exemptions

6. Based on your experience, what type(s) of housing can best accommodate people in the City? Is this type of housing currently available?

7. What type of housing would you want to see built and why (single detached, semis, townhouses, condos, purpose build rental, low to mid rise, mixed use, infill)?
- WRH – Kings court, mixed rental, geared to income, larger units 1-5 bedroom units, family-sized
- Larger sized rentals units
- Due to limited land supply, Waterloo will be growing more upwards

- Population and household reports to be released soon
- Vacancy rates are lowest in City of Waterloo

Best Practices
- Beachwood, city staff are working with the Region
- Property tax exemption program
- City's affordable housing program

12. What do you think the key housing priorities for the City should be (e.g. reducing homelessness/creating supportive housing, creating additional affordable rental housing, helping people purchase their first homes, workforce housing for local businesses seeking to attract and retain workers)?
- Provide mix of affordable housing, also moderate-income households
- Help form partnerships, help private developers, supporting the
- Integrating sustainability and accessibility with home building
- Need more senior housing, address chronic homelessness, and permanent supportive housing
- Retaining existing private market affordable housing stock
    - Losing the stock – need to see more preservation
- Point in time counts – numbers are up and is coming into a report
- Building better futures – HART tool is being used looking at different income groups
    - Data is helping with a look at the lowest income groups

Places4Students

Could you tell us about your organization, your role, and your level of involvement in the local housing market?
- Listing service, partners with post-secondary institutions to aid students in their housing search, website to browse listings, landlords can make profiles and post listings
- Conducting market and population studies
- Live customer service team, resources, templates for lease and rental agreements
- Blog posts
- Post-secondary institutional partners: Conestoga, Waterloo, Wilfred Laurier

Challenges:

From your organization's perspective, how would you describe the range of housing needs in the City?
- Covid has had a big effect, student housing crisis, vacancy rates are low
- P4S partners with organizations (ie. churches and community centres) to find available housing options
- Spare room campaign - options for students to live together with elderly with extra room in their home, introduced in pre-pandemic
- Pre pandemic was more housing available

What are the biggest contributing factors to current housing issues in the City? Where is the need?
- Want to see more housing in the city
- Post secondary institutions housing departments are those that are more directly communicating with the students
- See the most listings for studio apartments (1 bedroom), 4–5-bedroom options
- 773 beds- Jan to Dec 21, 2024 – landlords reporting beds
- 265k website page views from Laurier

Prospective Solutions to Housing Challenges:

What do you feel is working well in the City and the Region to support a range of affordable housing?
- Accessory Parcel number landlords have this number in other cities
- Compliance is easy to work with for the city

Best Practices

Part of the housing review is looking at best practices in housing development and meeting the community's needs. Are there municipalities, organizations or specific projects that you are aware of that you would suggest we review? And why?
- Bigger cities like Toronto have more availability
- Institutions can block out areas within the city that they do not want to see posted on P4S (due to safety concerns) - None in Waterloo

Roles and Responsibilities:

What role do you think your organization/department could play in the future in helping to meet the housing needs in the City?
Where do you see opportunities?

- Continue to work together with the post-secondary institutions and looking for affordable places for students to live
- Helping landlords looking to rent
- P4S is interested in being circulated any student housing reports that the City has
- Willing to work with the city on housing research
- Reaching out to students at housing fairs with promotional materials
- Working on a new website

Supportive Housing of Waterloo (SHOW)

Introductions:
1.Could you tell us about your organization, your role, and your level of involvement in housing locally?
- Supportive Housing of Waterloo (SHOW) helps permanently house people who have struggled with homelessness. Some residents deal with mental illness and substance use; Staff offer 24/7 wrap-around support to residents
- Targeted Housing for older adults
- Many who are homelessness in Waterloo are over the age of 55
- 4/5 have never been on the streets before
- Supportive housing – affordable and in house support, housing the hardest to house, need more than just affordable housing, provide stability through support

Challenges:
2. Can you provide the organization's perspective on the range of housing needs in the City?
- Need more housing for middle income housing earners
- Need more supportive housing, wait list has tripled in 6 years
- How the wait list process works is - Region of Waterloo works with Lutherwood to provides the personal contacts, it is on "by need" basis, not a chronological list, there are scoring systems, high need gets put to top of list
    o Considers factors such as mental health challenges, physical issues
- Building is expensive, hard to outbid developers, especially difficult for non-profits
- To address this expense, we look at how can we develop sites that are already owned, looking at existing land
- City of Waterloo has made land available – eg. Like ongoing Habitat for humanity and SHOW project

3. What are the biggest contributing factors to current housing issues in the City?

- Affordability and supply
- Not enough rental housing and supply for those who are working professionals, middle income

4. What are the greatest challenges and issues that you see in creating housing in the City?
- Developers leaning more into the ownership and condos
- Tenant board – challenging to have a resident leave, landlords and rental having hard times too, sceptical relationship between the two parties
- Housing upkeep

Available Support and Services: (where applicable)

7. If zoning were not an issue, what type of housing would your organization want to see built and why (single detached, semis, townhouses, condos, purpose build rental, low to mid rise, mixed use, infill)?
- Supportive housing and rental housing
- Appreciates Council being advocates for supportive housing needs

Prospective Solutions to Housing Challenges:

8. What do you feel is working well in the City and the Region to support a range of affordable housing?
- Looking for available lands
- Looking for new ideas in other cities – BC housing, modular housing, mass timber, want to see more innovative ideas taken up, open to ideas but need to see shovels in ground
- Representatives in government who care about this work and work at SHOW – feels the City/Region has a progressive vision and cares for the needs of the vulnerable community

9. What policies, procedures, and relationships are helpful?   Are what might improve things involving actions at the Region level, to help increase the creation of housing in the City?
- Grants, helping to cover predevelopment, consultant, federal and provincial grants, capital from community members, fundraising for those dollars are very challenging
- Process for developing/financing - we can get SEED funding from CMHC, but we need funding to start, it can cost over $100k to look at the zoning

Best Practices

- City does provide funding which is helpful

Roles and Responsibilities:

13. What role do you think your organization/department could play in the future in helping to meet the housing needs in the City?
Where do you see opportunities?
- Build more supportive housing
- There are now more than 600 on the streets and many are over the age of 55
- Have people age in place with stability

14. Are there any lands that your organization owns that is being considering for housing development or mixed-use development?
- Older adults – CPP and OHS rates provide $26k a year to live on
- Finding those who are on the streets that are younger and have been on the streets longer
- Importance of having on-site support, instead of connecting them with other resources, need that human people connection
- Connection can help before it turns into crisis
Are there instances where residents transition out of supportive housing?
- In the last 15 years, 3 people have moved on
- Most do not desire to leave as they feel a sense of belonging and connected with the community
- In the past the Region was asking for people to move on but they stopped
    o This pressure to move out was traumatizing for the residents
- Residents sign a lease just like for other rental of housing units
- Expectation of permanent fixed site housing

Central Ontario Co-operative Housing Federation

1. Could you tell us about your organization, your role, and your level of involvement in housing locally?
- Coop – association, work with organizations
- Federation of non-profit housing co-operatives in the cities of Waterloo, Kitchener, Cambridge, Brantford and Guelph.
- 42 member organizations that represent roughly 3,000 units of member controlled co-operative housing in the five cities.

- Purpose to provide a means for co-ops to network with each other and offer sector resources and tools to support our membership.
- Coop is not affordable housing, support for communities, non-profit,
- 7 co-op housing sites in Waterloo
  - Student housing coops

Challenges:

2. Can you provide the organization's perspective on the range of housing needs in the City?
- Not enough affordable housing
- 75 to 85% of existing residents require support for mental health
  - Ongoing - working with partners to tackle mental health challenges

Available Support and Services: (where applicable)

6. Based on your experience, what type(s) of housing can best accommodate people in the city? Is this type of housing currently available?
- Need more one bedroom
- Variety of housing types with different bedroom sizes
- Seniors housing that is accessible
- Many are waiting for centralized housing

Prospective Solutions to Housing Challenges:

8. What do you feel is working well in the City and the Region to support a range of affordable housing?
- City is supportive and they want to support financially
- There are waiving of costs, offering of city land, and tax exemptions

Best Practices
12. What do you think the key housing priorities for the City should be (e.g. reducing homelessness/creating supportive housing, creating additional affordable rental housing, helping people purchase their first homes, workforce housing for local businesses seeking to attract and retain workers)?

- More supportive housing
- Prefabricated housing opportunities
- Need all the stakeholders to collaborate

- Waterloo 1010 - Affordable and attainable housing development at 2025 University Ave E.
- City of Waterloo has been very supportive

Build Urban

1.Could you tell us about your organization, your role, and your level of involvement in housing locally?
- Build urban – homebuilder's group
- Members are focus on urban lens, less on the suburban lens
- 14 members, 70-80% of residential developers

Challenges:

2. Can you provide the organization's perspective on the range of housing needs in the City?
- Constrained urban boundaries
- Floodplain properties
- Undersupplied lands compared to the other sister cities

4. What are the greatest challenges and issues that you see in creating housing in the City?
- Cost of housing issue not too much about the supply
- Immigration slowing down
- Nothing in term of supply is moving
- Construction costs
- Demand rising for high rise student housing, rental housing as opposed to condos
- Highrise condo dead - hard to get in those family sized unit in high rise
- Cohabitation - with children staying at home due to affordability challenges
- Land costs is a challenge, need cheaper land
- Seeing demand for other housing types, not high rise - ie. Activa - 34 lots of bungalows

Prospective Solutions to Housing Challenges:

8. What can the city and the region do to support a range of affordable housing?
- City approving zoning that is not compatible with the market

- Developers looking to downzone, process will take too long and have sterile sites
- In condominium sales – developers need to meet minimum presale amounts
  - Pivot to rental is possible
- CMHC funding helps
- Real estate economics doesn't exist at the municipal level
- Need more market viability from policy makers

9. What policies, procedures, and relationships are helpful?   What might improve things involving actions at the Region level, to help increase the creation of housing in the city?
- City is amending the way they deal with applications
  - Challenge when we need to deal with OPA, we would rather deal with a minor variance, it lengthens the process for development
- Development Charges abatement
- City is looking at land assets
- Planning process and culture is turning away developers
- Want more consultation
  - Need more discussion around real estate realities
- Green building standards adds extra level of challenge
- Want to see the building code as overall standard instead of differing local standards

What opportunities do you see for affordable housing?
- Lots of market appeal for development especially student housing
- Low-rise and rental that is still moving but moving slow