

Community Housing Needs Assessment



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Executive Summary

CARLETON PLACE IS A SMALL TOWN EXPERIENCING SIGNIFICANT GROWTH AND CHANGE, PROMPTING THE NEED FOR A COMPREHENSIVE HOUSING NEEDS ASSESSMENT. This assessment aims to evaluate the current housing stock, identify gaps in housing availability and affordability, and project future housing needs based on demographic trends and economic conditions. As the Town evolves, ensuring that its housing strategies meet the diverse needs of its residents is paramount to fostering a vibrant and inclusive community.

The first step in the Housing Needs Assessment involves analyzing the existing housing market in Carleton Place. This includes assessing the types of housing available, such as single-family homes, apartments, and townhouses, and examining their affordability relative to the median household income. Additionally, the assessment considers the condition and age of existing housing stock and identifies areas that may require renovation or redevelopment. Understanding these factors helps to paint a clear picture of the current housing landscape and highlights areas where there may be shortages or surpluses.

Looking ahead, the assessment also incorporates population and employment projections to forecast future housing needs. Carleton Place is expected to see continued population growth due to its proximity to Ottawa and its appeal as a commuter town. This growth will likely increase demand for a variety of housing types, from affordable rental units to family homes. The assessment considers the needs of various

demographic groups, including young professionals, families, seniors, and low-income households. By identifying these needs and planning accordingly, Carleton Place can develop strategies to ensure that all residents have access to safe, affordable, and suitable housing options, ultimately supporting the Town's long-term sustainability and quality of life.



Figure 1 - Location Map

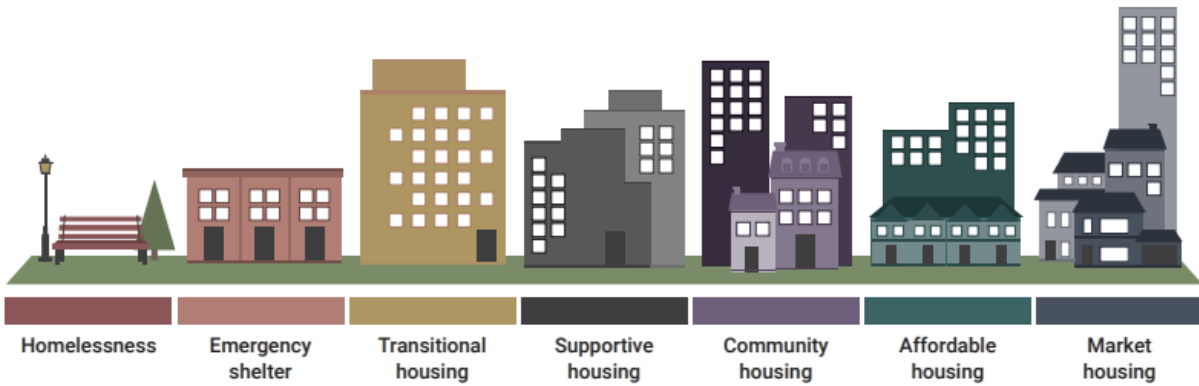


Figure 2 - Housing Continuum (CMHC, 2018)

The Housing Continuum

IN ORDER TO COMPREHEND THE HOUSING NEEDS OF A COMMUNITY, IT HAS TO BE UNDERSTOOD THAT THE HOUSING MARKET EXISTS IN A CONTINUUM. The conditions for which a community requires certain typologies of housing vary based on the population’s shifting demographics, the life-cycling and aging of building conditions, and housing prices relative to income. Wider economic conditions such as intercity-migration, employment opportunities and changing interest rates are also factors associated with the influxes seen within a communities local housing continuum.

While the housing continuum is unique to each community, it can be influenced by housing pressures created by adjacent municipalities and policy decisions made by other levels of government.

In assessing the housing supply, references will be made to various partners and stakeholders who contribute to regulating, funding and constructing homes within the community. Fundamentally, everyone has a role to play in creating a healthy and sustainable housing continuum.

Partners	Sets Policy	Provides Funds	Constructs Units
Federal (CMHC)	✓	✓	
Province (MMAH)	✓	✓	
County (Lanark)	✓	✓	✓
Local (Carleton Place)	✓	✓	
Non-Profit		✓	✓
Private (residents/ home builders)			✓

Figure 3 – Agency Partners in Carleton Place

Housing Demand

HOUSING DEMAND REFERS TO THE DESIRE AND FINANCIAL ABILITY OF INDIVIDUALS OR HOUSEHOLDS TO PURCHASE OR RENT HOMES AT VARIOUS PRICE LEVELS WITHIN A SPECIFIC PERIOD. Housing demand is a crucial concept in real estate economics and urban planning, as it influences housing market dynamics, property values, and the development of residential areas. Understanding housing demand helps stakeholders, including policymakers, developers, and investors, make informed decisions about housing supply, affordability, and community planning.

Current Conditions

Population

The Town of Carleton Place has been described as the “fastest growing Town” in Canada¹. Population changes between

the 2016 and 2021 census reported growth of 17.6% resulting in a total permanent resident population of 12,517 residents. The total number of private dwellings reported in 2021 was 5,341 representing an increase of 10% from the previous census year. This correlation is interesting as the average household size remained steady between the census years at 2.4 residents.

Household Characteristics

In a more refined analysis, Watson and Associates Economists Ltd. found that the average household size varied based on the type of dwelling units. While the average household size for single or semi-detached dwellings represented 2.655 residents per unit, “multiples” such as townhomes represented 2.304 residents

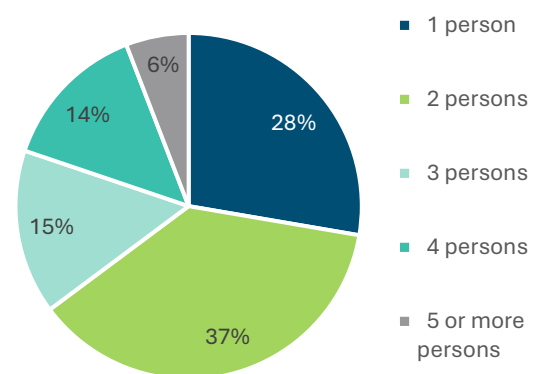


Figure 4– Private Households by Household Size (StatsCan)

¹ CityNews, 2022.

per unit, and apartment dwellings represented 1.368 per unit².

The Town is presently represented by a relatively young demographic, with a median resident age of 41.6. This trends slightly lower than both the Lanark County median resident age of 48.8 and the Ontario median age of 43.2.

The median age within the population is increasing steadily from previous census



Figure 5 – Distribution of population within broad age groups (StatsCan, 2021)

years with 2016 reporting a median age of 42.6 while 2011 reported a median age of 42.1. Proportionally the percentage of the population over the age of 65 has increased from 18.3% in 2016 to 20.6% in 2021. This increasing trend is consistent with the Ontario average and indicative of the progression of the Baby Boomer demographic into retirement suggesting

an increasing need for housing options to accommodate an elderly population.

Within the community, the census also reported that 83% of the population identified as residing within a census family³ within which 58% were married or common-law partners, and 35% represented children. Of the 17% of residents who identified as being in private households, not within a census family, 71% indicated they lived alone, 10% lived with other relatives and 19% lived with non-relatives.

Household types similarly showed that 84% of one-census family households were occupied by couples, of which 52% did not include children. 3% of households identified as being multigenerational households while 3% of households identified as a one-census family household with an additional person (i.e. a boarder). 3% of households were identified as two-or-more-person non-census-family households (i.e.

² Watson and Associates Economists Ltd, 2024

³ A census family is defined as a married couple (with or without children), a common-law couple

(with or without children) or a one-parent family. (StatsCanada, 2021)

rooming houses or shared dwellings). 28% of households reported living alone.

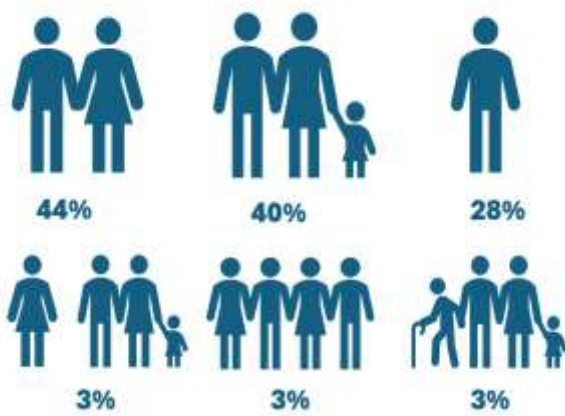


Figure 6 – Household Types (StatsCan, 2021)

It is challenging to compare household type statistics to previous census years as StatsCan increased the list of household types in the 2021 census to expand beyond conventional family versus non-family households.

Household Income

The Census revealed a median total household income in 2021 of \$89,000. This median income was higher than the reported \$88,000 of the County but below the Provincial average of \$91,000.

At a more refined level, the median total income of one-person households, which represented 28% of total households, was reported as \$46,800 while two or more person households representing 72% of households was reported as \$108,000.

With respect to income inequality within the community, the census noted 7.2% of the population met the definition of a “low-income status”⁴. This statistic was lower than the 10.1% reported for the province but was similarly highest in residents over 65 years of age and in children under 17.

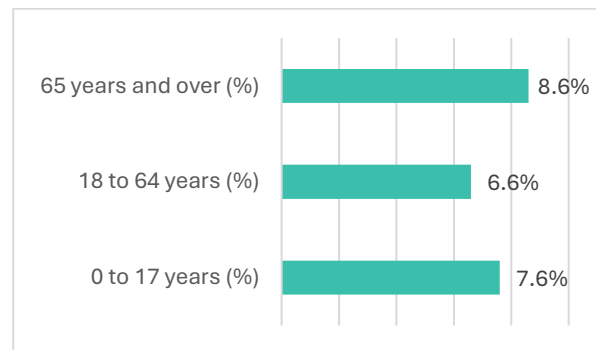


Figure 7 – Prevalence of low income based on LIM-AT% (StatsCan, 2021)

New to the 2021 census, Statistics Canada introduced the “Adjusted after-tax economic family income decile group”, intended to provide an approximate ranking of economic situations by

⁴ The Low-income measure, after tax, refers to a fixed percentage (50%) of median-adjusted after-tax income of private households. The household after-tax income is adjusted by an equivalence scale to take economies of scale into account. This

adjustment for different household sizes reflects the fact that a household's needs increase, but at a decreasing rate, as the number of members increases. (StatsCanada, 2021)

individuals based on their relative position in the Canadian distribution of adjusted after-tax income of economic families. An analysis of the reported findings will be completed in the Affordability section of this report.

Forecasting Growth

The County of Lanark is responsible for projecting the population of local

municipalities as well as forecasting the residential and employment needs of the region.

In its updated 2024 population analysis, the County forecasted an annual population growth rate of 2.5% within the Town of Carleton Place. It is expected that by 2044 the Town should plan to reach a population of 21,490 residents⁵.

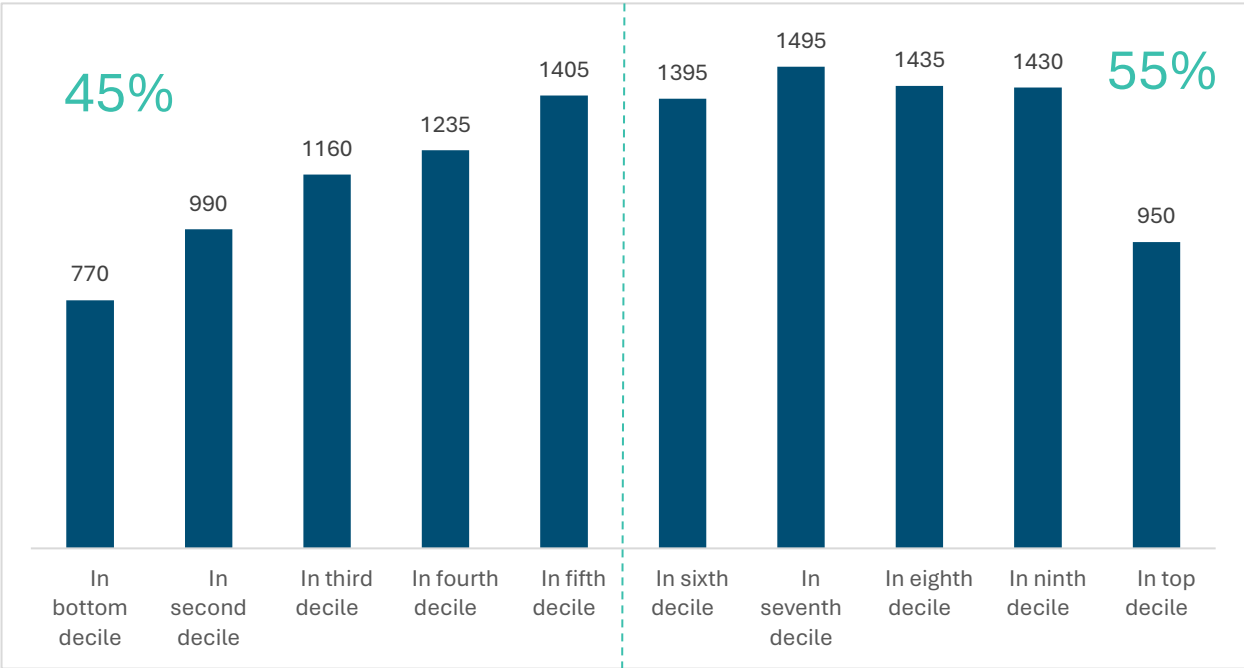


Figure 8 – Adjusted after-tax economic family income decile group for the population in private households (StatsCan, 2021)

⁵ Watson and Associates Economists Ltd, 2023

Housing Supply

HOUSING SUPPLY REFERS TO THE AVAILABILITY OF RESIDENTIAL PROPERTIES WITHIN A PARTICULAR MARKET OR GEOGRAPHIC AREA. Housing supply encompasses various types of housing options such as single-family homes, apartments, condominiums, and townhouses that are either for sale or rent. The level of housing supply in an area is a critical factor influencing the real estate market dynamics, pricing, and affordability for potential buyers or renters.

Dwelling Types

As of 2021 the Town has a total of 5,341 individual dwellings. 65.3% of dwellings represent single or semi-detached units (3,405) while townhomes and other multiple units represented approximately 15% of the housing stock and a remaining 20% of units represented “other” apartment style accommodations. The

Town has also seen a 4% increase in the institutionalized population within the community⁶.



Figure 9 –Occupied Private Dwellings by Structure (StatsCan, 2021)

This distribution of dwelling unit types is consistent with 2016 with the greatest changes reflected in a 3% reduction in the representation of single detached dwellings and a 4% increase in apartment dwellings.

Housing Suitability

Housing suitability refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS). This standard evaluates the number of bedrooms required for the number, age, sex and marital status of occupants within the household. In the 2023 *Municipal*

⁶ Watson and Associates Economists Ltd., 2024.

Tools to Support Affordable Housing report, Lanark County noted that 9.1% of households in Carleton Place are below the suitability standard. This means that approximately 10% of households within the Town are residing in dwellings which do not provide enough bedrooms for the occupants' needs.

Housing Adequacy

Housing adequacy refers to if housing stock is considered to be in good condition and not requiring major repair. Major repairs may constitute renovations and replacements such as defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings. In 2021, 13.6% of households in Carleton Place were found to be inadequate based on the need of major housing repairs. While the Town has a relatively new housing stock with 17.1% of all dwellings constructed after 2017, the adequacy of dwellings draws into question matters of maintenance and quality of construction of the remaining 82.9% of dwellings in the Town.

In considering this statistic, it should also be noted that 50% of private households are maintained by a primary homeowner over the age of 55.

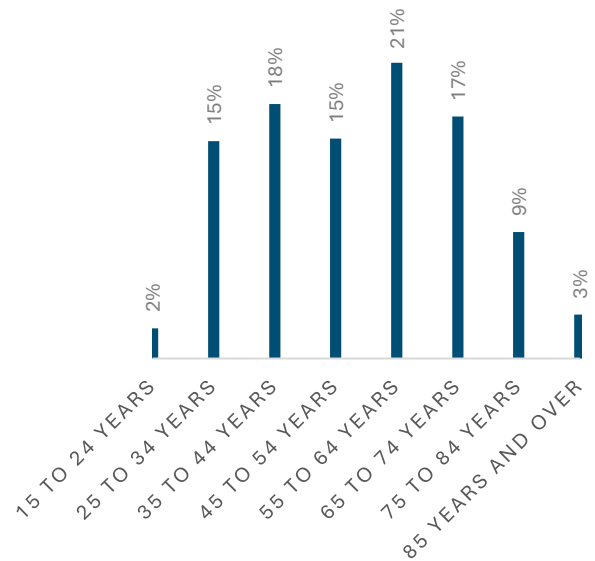


Figure 10 – Private households by age of primary household maintainers (StatsCan, 2021)

Building Permit Activity

Recent building permit activity trends within the Town have produced an average of 250 new dwelling units per year over the

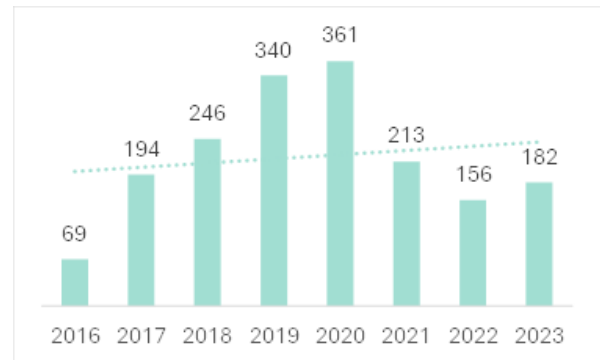


Figure 11 – Building Permit Activity (Carleton Place, 2024)

past five years, with a distinct peak occurring during the COVID-19 pandemic.

As the Town continues to plan for future growth, it is important to consider the impacts of an aging demographic profile exhibited in Carleton Place and the region. As one of the few municipalities within the County that provides full municipal services, it is anticipated that the Town will see the local migration of aging residents from the adjacent rural municipalities into smaller urban residences which may be easier to maintain and provide closer proximity to goods and services. The Town of Carleton Place also has among the newest housing supply in the County with 25% of dwellings built before 1960, while 17.1% of dwellings being built after 2017. As can be seen in Figure 10, the recent construction boom between 2017 and

2023 has led to significant changes in the typology of dwellings in the Town.

Recent trends in development indicate a shift in the preference to construct more townhomes and multi-unit dwellings rather than single detached dwellings. The rapid increase in uptake to construct more medium-density housing represents a classic example of the development of “missing middle” housing. “Missing Middle Housing” is defined as buildings between a single-detached dwelling and a mid-rise apartment building⁷. Often, they are sized similarly to a single-family dwelling but contain multiple dwelling units. In practice they may resemble what are conventionally recognized as triplexes,

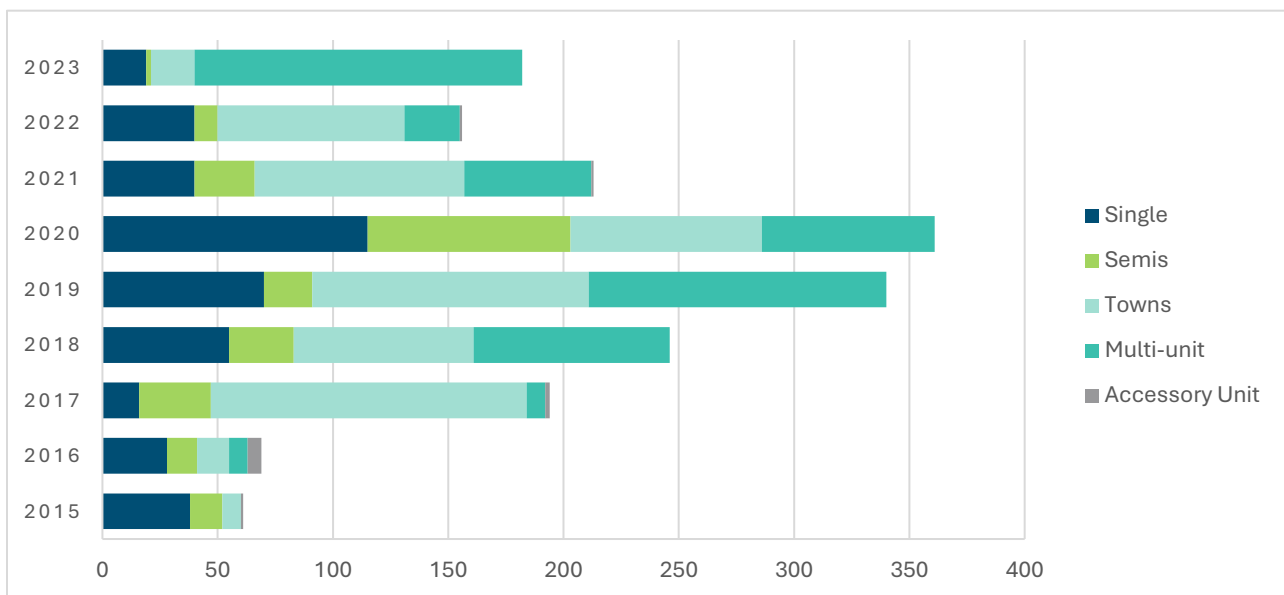


Figure 12 – Building Permit Activity by Unit Type (Carleton Place, 2024)

⁷ Planetizen, 2024.

quadplexes, townhomes, or courtyard apartments. The development of “missing middle” housing can assist in building our less expensive housing types (either rented or owned) through denser built forms that offer reduced costs per unit to construct.

In recent legislative changes, the Province of Ontario passed the *More Homes Built Faster Act, 2022* which created as-of-right permissions for up to two “accessory residential units” within or detached from a primary dwelling. This policy change enables the construction and conversion of dwellings to gently intensify neighbourhood densities without creating noticeable adverse impacts on the existing landscape.

In an effort to encourage the development of this gentle density, the Town of Carleton Place has introduced policy changes to its *Development Permit By-law* to permit these “as-of-right” units in any residential neighbourhood. Furthermore, the Town introduced a grant program to provide financial incentive to those owners looking

to add an Accessory Residential Unit (ARU) to their property.

Rental Housing vs Home Ownership

In its 2023 *Municipal Tools to Support Affordable Housing* report, the County of Lanark identified that 29.9% of households in Carleton Place were renters. This statistic increased from 29.5% from 2016 indicating a higher demand for rentals within the Town⁸.



Figure 13 – Private households by tenure (StatsCan, 2024)
 Rental units were identified by the County as an important component of the housing continuum to provide options for both young and aged households who have either not yet entered or are leaving the home ownership market.

⁸ Lanark County, 2023

In a survey of residents undertaken by the County, 93.9% of respondents noted that there was an undersupply of rental housing within the Town of Carleton Place⁹. 88.3% of respondents indicated that the primary issue with rental housing in Carleton Place was associated with affordability. With a high demand for rental housing, the market allows for landlords to charge more for units and exercise discretion in selecting tenants adding further inequality to the market.

Statistics Canada indicated a staggering 46% of renters in Carleton Place faced affordability issues by spending more than 30% of their gross annual household income on housing costs¹⁰. The issue of affordability will be examined further later in the report.

While most dwellings are owner occupied, and affordability appears to be less of an issue than with rental housing (11.5% in 2021), this may be indicative of a lack of movement by current homeowners within

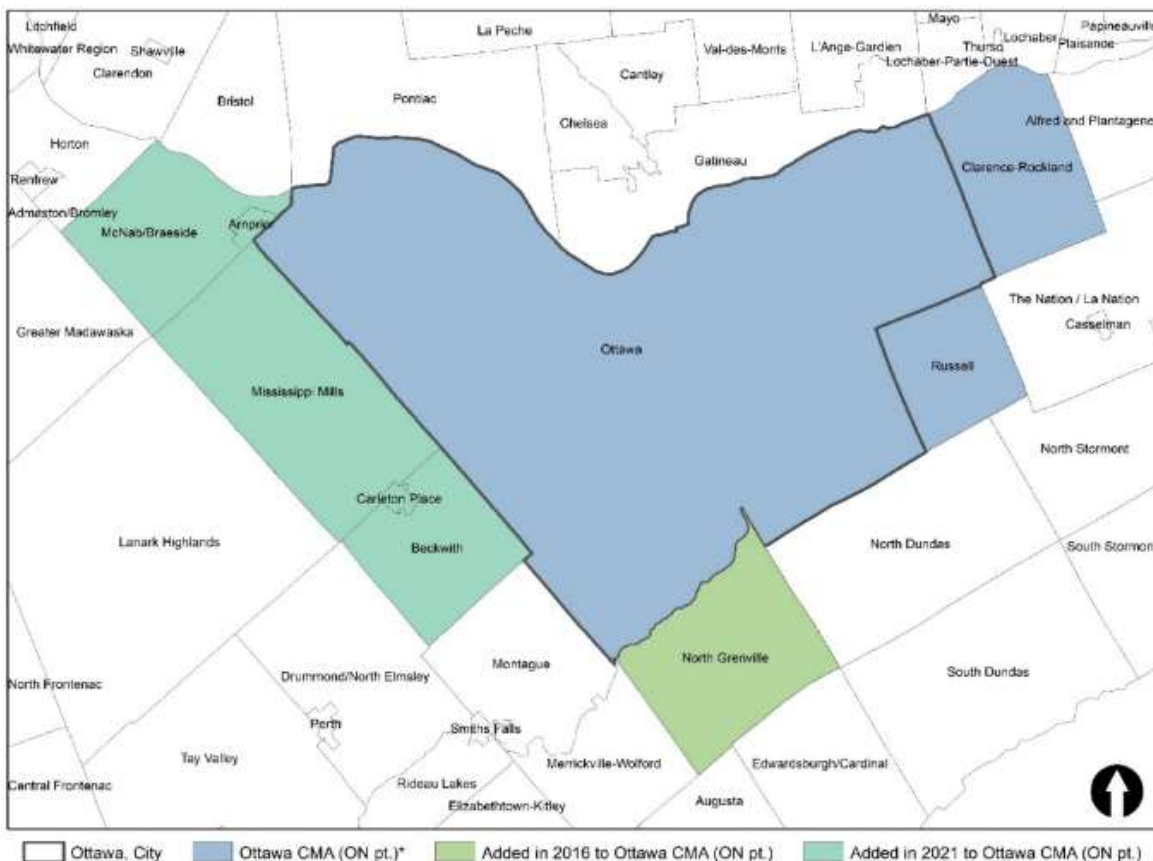


Figure 14 – 2021 Census Metropolitan Area for Ottawa (City of Ottawa, 2023)

⁹ Lanark County, 2023

¹⁰ Lanark County, 2023

the market. A more detailed analysis is required to understand the composition of households within owned structures to determine if residents are under or over-housed and if so, why they continue to reside in dwellings which may not meet their demographic needs.

Vacancy Rates

Vacancy rates collected by the Canada Mortgage and Housing Corporation in its *Rental Market Survey* are provided for the Town of Carleton Place (Zone 17) within the Ottawa Census Metropolitan Area (CMA) dataset¹¹. These statistics are noted to be of poor quality and should be used with caution.

That said, Private Apartment Vacancy Rates for 2-bedroom apartments in Carleton Place were noted as 5.0%, which is considerably higher than averages for the urban Ottawa zones (2.6%), Eastern Ottawa zones (0.7%), and Western Ottawa zones (2.0%). However, a healthy vacancy rate is considered to be a minimum of 3-5% indicating a robust available supply of rental accommodations¹². By contrast the Town had a lower-than-average Private

Apartment Turnover Rate for 1-bedroom apartments of 5.3% relative to urban Ottawa (17.3%), Eastern Ottawa (20%), and Western Ottawa (20%). Combined, these statistics suggest that tenants in rental accommodations are less likely to relocate to a different apartment even if there are a number of available units on the market.

	2022	2023	Proportion
Bachelor	10	10	7%
1 Bdrm	50	50	33%
2 Bdrm	86	86	57%
3+ Bdrm	5	5	3%
Total	151	151	100%

Figure 15 – Number of Private Row (Townhouse) Units in the Universe (CMHC, 2024)

CMHC statistics for 2023 also note that within Carleton Place, the number of private row (townhome) units available for rent has been consistent between 2022 and 2023 with 57% of units representing 2-bedroom dwellings.

Finally, the 2023 *Rental Market Survey* also noted apartment vacancies of 7% and rental rates for new rental stock ranging from \$2,256.00 to \$2,315.00 for 1-bedroom and 2-bedroom units respectively (row and apartment dwellings). While the reported data was limited to 1-bedroom and 2-bedroom units

¹¹ CMHC, 2024.

¹² Advocacy Centre for Tenants Ontario, 2021

as shown in Figure 16 below, the quality of the data was noted to be excellent.

	Number of New units	Vacancy Rate	Average Rent
1 Bdrm	53	7%	\$ 2,256.00
2 Bdrm	257	**	\$ 2,315.00

Figure 16 – Profile of New Rental Stock – Completed between July 2020-June 2023 (CMHC, 2024)

Non-Market Housing

Within the Town of Carleton Place, there are a limited number of non-market housing options available to residents.

Non-Market Housing	Approximate # of Units
County Housing (RGI)	150 units
Non-profit Housing	31 units
Adult supportive housing	9 units
Emergency Shelter Housing	12 units

Figure 17 – Number of available non-market housing units in Carleton Place (Lanark County, 2019)

Housing programs are administered and managed by the County of Lanark’s Social Services Department. The County provides funding to qualifying low-income households through a variety of programs to permit residents to access market housing, maintains an inventory of County owned housing and coordinates placements of qualifying residents with a variety of non-profit housing providers.

In Carleton Place, the average wait time for subsidized housing is seven (7) years. While these wait times are variable, the wait in Carleton Place is consistently highest within the County of Lanark. In its *2023 Annual Housing and Homelessness Report*, the County noted that of households on the waitlist, 59% were composed of adults with no dependents; 23% were seniors and 18% were households with dependents.

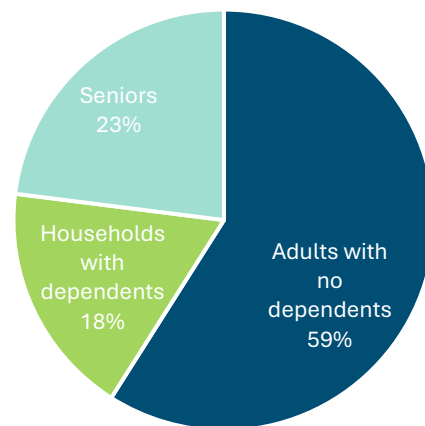


Figure 18 – Lanark County Breakdown of Waiting List Needs (Lanark County, 2023)



Figure 19 – Rent Geared to Income (RGI) Statistics County-wide (Lanark County, 2023)

Affordability

AFFORDABLE HOUSING IS THE BUILDING BLOCK FOR THE CREATION OF SUSTAINABLE COMMUNITIES. It helps ensure that individuals and families have a stable and secure place to live, which is essential for overall well-being and quality of life. Affordable housing also plays a crucial role in reducing homelessness, alleviating poverty, and promoting economic stability within communities. Additionally, access to affordable housing can improve educational outcomes, healthcare access, and overall social cohesion. By providing affordable housing options, we can work towards creating more inclusive and equitable societies for all.

Fundamentally, housing is affordable when no more than 30% of a family's household income is spent on housing costs.



Figure 20 – Affordable Distribution of Expenses

Defining Affordability

In Ontario, the *Provincial Policy Statement* (PPS) is the guiding document which defines and establishes thresholds for affordable housing. Affordable housing in the Town of Carleton Place is defined by the County of Lanark based on data provided for the regional market area.

The following definitions are provided for affordable housing ownership and rental housing:

Ownership:

The least expensive of:

- Housing for which the purchase price results in annual accommodation costs which do not exceed 30% of gross annual household income for the 60th percentile of the income distribution for households in the regional market area; or
- Housing for which the purchase price is at least 10% below the average purchase price of a resale unit in the regional market area.

Based on this definition, the affordable ownership threshold for Lanark County was **\$526,000 in 2023 which is 10% below**

the average resale price. This threshold was selected as the average resale price of homes which was higher than the gross annual household income for the 60th percentile. A house price of \$526,000 is affordable to households with incomes in the 60th percentile and higher (i.e. approximately 50% of households in Lanark County).

Rental:

The least expensive of:

- A unit for which the rent does not exceed 30% of gross annual household income for the 60th percentile of the income distribution for renter households in the regional market area; or
- A unit for which the rent is at or below the average market rent of a unit in the regional market area.

Average Market Rents are updated on an annual basis by the County of Lanark based on data obtained from the Ministry of Municipal Affairs and Housing and the Canada Mortgage and Housing Corporation.

For 2023, the County has provided affordable rental thresholds using the 60th percentile of the income distribution for renting households for the following unit sizes:

- **\$1,331 - For a bachelor or 1-bedroom unit**
- **\$1,466 - For a 2-bedroom unit**
- **\$1,685 - For a 3+-bedroom unit**

Household Income Deciles

For the purpose of evaluating affordable rents within the regional market area, the County of Lanark evaluated the affordable

Lanark County			Lanark County		Carleton Place	
Incomes (2021)		Affordable Rent	1-Bdrm	2-Bdrm	1-Bdrm	2-Bdrm
			\$ 864	\$ 1,110	\$ 878	\$ 1,132
Decile 1	\$ 15,500	\$ 390	N	N	N	N
Decile 2	\$ 20,900	\$ 520	N	N	N	N
Decile 3	\$ 26,100	\$ 650	N	N	N	N
Decile 4	\$ 32,300	\$ 810	N	N	N	N
Decile 5	\$ 39,400	\$ 990	Y	N	Y	N
Decile 6	\$ 47,900	\$ 1,200	Y	Y	Y	Y
Decile 7	\$ 58,800	\$ 1,470	Y	Y	Y	Y
Decile 8	\$ 71,600	\$ 1,790	Y	Y	Y	Y
Decile 9	\$ 93,600	\$ 2,340	Y	Y	Y	Y

Figure 21 – Affordable Rent Price by Renter Household Income Deciles Compared to Average Rental Prices in Lanark County, (Lanark County, 2023)

rents based on incomes in each Decile reported in the 2021 census.

Using multiple point-in-time scans, data was collected to determine the average market rent in Carleton Place and the County of Lanark. As noted in Figure 21, 1-bedroom units were not affordable to households under D5, while 2-bedroom units were not affordable to households under D6. Given this rent price, a household would require an annual gross income of \$95,000 to afford rent in Carleton Place based on the PPS affordability figures for Lanark County. This is much higher than the average household income in Carleton Place.

Household Income Quintiles

CMHC has also recently begun collecting rental affordability data for the Town of Carleton Place (Zone 17) through the annual *Rental Market Survey*. This information is useful as it provides a more localized picture of affordability in the eastern portion of Lanark County which is subject to economic conditions due to relative proximity to the City of Ottawa. For information purposes, the monthly affordable rental ranges based on income thresholds are provided.

By this assessment, affordable monthly rental changes for residents in the 60th percentile would be \$2,049.

The *Rental Market Survey* also reported an average market rate for apartments in Carleton Place of \$1,350 across all unit classes.

Income Quintile	Renter household income range	Monthly Rent Range Affordable
Q1	<\$30K	<\$749
Q2	\$30K-56K	\$750-1399
Q3	\$56K-82K	\$1400-2049
Q4	\$82K-122K	\$2050-3049
Q5	\$122K+	\$3050+

Figure 22 – Household Income Quintiles / Monthly Rent Below 30% of Income Quintile (CMHC, 2024)

Proportion of Households Living Below Affordability Standards

Ownership

The 2021 census noted that 11.5% of owner-occupied households are spending more than 30% of their income on shelter costs. The median monthly shelter costs for an owned dwelling were reported to be \$1,470, while the median value of a dwelling in Carleton Place was noted as \$472,000.00.

Rental

Lanark County has assessed that 21.8% of households in Carleton Place are living

below the housing affordability threshold, with a higher share of these households being represented by renters at 46%. While the average household income in Lanark County increased by 21.6% between 2016 and 2021, the average monthly shelter costs increased by 22.1%. Median monthly rental shelter costs were reported to be \$1,410.

This disparity in affordability was also noted to have been subject to a dramatic 14.7% increase between 2016 to 2021.

Core Housing Need

Core housing need is a general measurement indicator used to identify households living in dwellings considered to be unsuitable, inadequate or unaffordable. It also considers if income levels are such that they could not afford alternative suitable and adequate housing in their community. In the Housing Supply analysis, household adequacy and suitability were reviewed for the Town of Carleton Place.

As has been noted above, housing affordability is generally considered to be a significant issue in Carleton Place.

Across the County, 6.2% of households (owned or rented) fell below one or more of the core housing needs criteria, while 6.4% of households in Carleton Place were classified as being in Core Housing Need¹³. 27% of owned households met one or more of the Core Housing Need criteria¹⁴.

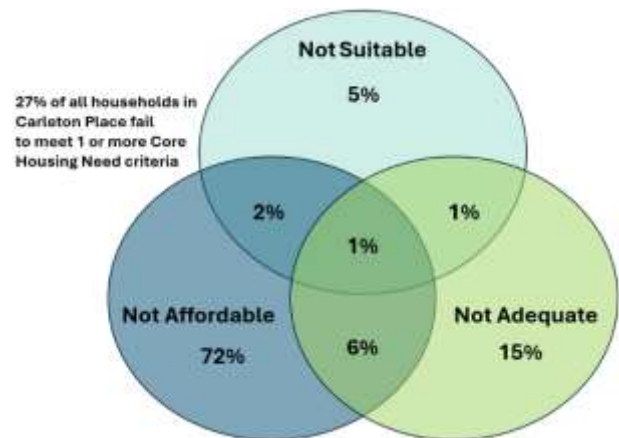


Figure 23 – Households in Core Housing Need (StatsCan, 2021)

Homeownership Prices

In its report on *Municipal Tools to Support Affordable Housing*, the County of Lanark conducted two point-in-time scans of housing prices within the County. The first scan in 2021, showed an average asking price of \$884,000, an increase of 190% from household values in the 2016 census. In order to afford home ownership based on the Provincial Policy Statement (PPS) definition of affordability, residents in Carleton Place would require an annual

¹³ Lanark County, 2023

¹⁴ StatsCan 2021

gross household income on \$243,100, 2.6 times higher than the average report household income.

Comparatively, a second point-in-time scan was taken in 2022 which revealed an average asking price of \$630,800 requiring an annual gross household income of \$171,500 in order to affordably support such a purchase. This reduction of market home value by 28.6% in a 12-month period, illustrates the volatility and unsustainability of the local housing market.

At the time of the publication of this report (July 20-Aug 17, 2024), the average house price in Carleton Place was \$547,367, down 9.9% from the previous month and 14.9% from the last quarter¹⁵. With almost twice as many homes on the market as sales completed, it is evident that the housing inventory (either by unit type or price bracket) is not consistent with the local demand.

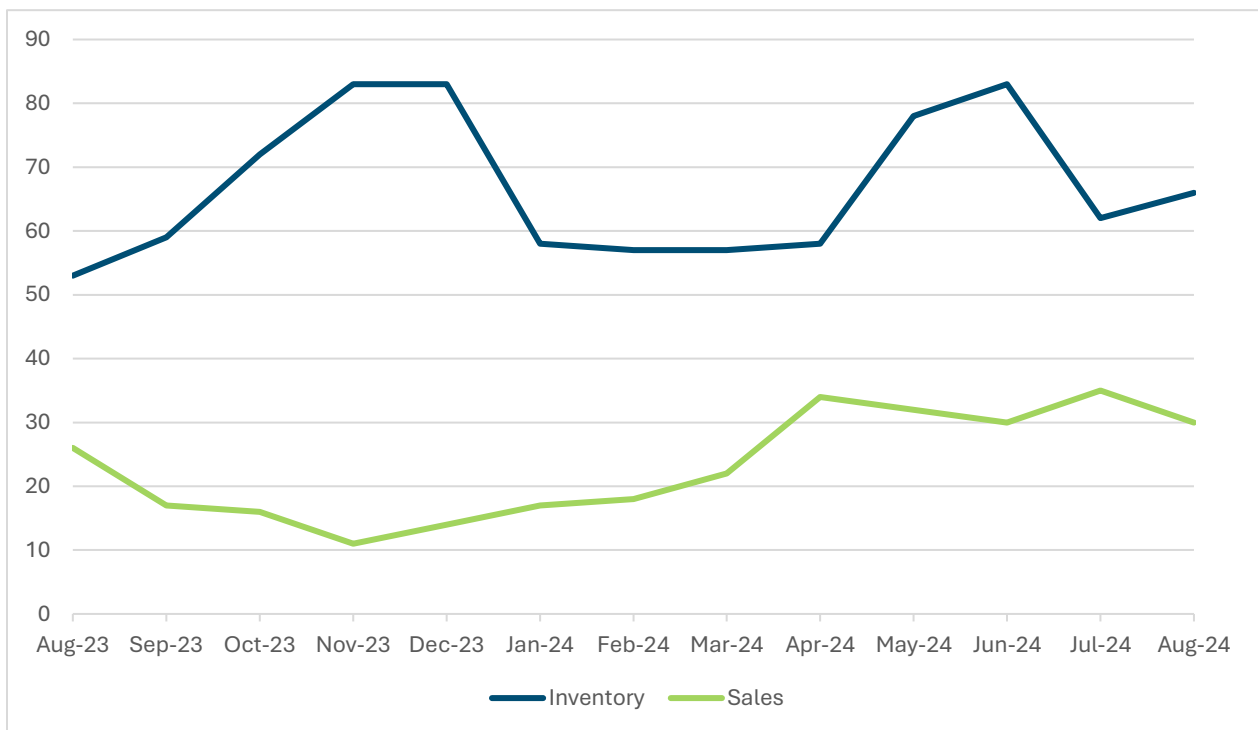


Figure 24 – Number of Sales and Inventory in Carleton Place between August 2023-August 2024 (Zolo, 2024)

¹⁵ Zolo, 2024

Existing Gaps

DATA PROVIDED ON THE SUPPLY AND DEMAND OF HOUSING IN CARLETON PLACE ILLUSTRATES SEVERAL APPARENT GAPS IN THE HOUSING CONTINUUM REQUIRED TO MEET THE NEEDS OF THE COMMUNITY.

Ownership Price Gaps

As demonstrated in the Affordability analysis, there is disparity in affordable ownership opportunities within the community. While the market price of accommodation has increased steadily over the past 10 years, income levels within the community have failed to keep pace. Even with a recent downturn in real estate values since the COVID-19 pandemic housing boom, the price of housing remains disproportionality higher than annual household incomes which is contributing to a high volume of inventory of available homes and proportionately lower sales.

¹⁶ StatsCan, 2021

Aging Housing Stock

Notwithstanding the recent construction boom of new housing in Carleton Place, overall, the Town is composed of an aged building stock in need of a high degree of maintenance. With 65.5% of dwellings constructed prior to 2000¹⁶, the majority of the housing inventory has aged itself into a stage of life cycling which requires considerable maintenance, both structurally and mechanically, in order to accommodate the needs of the current population. 13.6% of homes in Carleton Place have been found to be inadequate, the costs of maintenance and renovation on homebuyers in addition to high real estate costs is having a direct impact on the ability of residents to enter or move within the housing continuum. With 50% of homes occupied by a primary home maintainer over the age of 55, there is potential for aging homes to continue to deteriorate without sufficient maintenance.

Rental Housing Inventory

Contrasting the surplus inventory of home ownership, rental data illustrates that

there is low inventory of housing options (of all kinds) which is driving an increase in rent prices beyond the limits of affordability thresholds for the majority of tenants in Carleton Place. This is specifically seen in data reported by the County of Lanark which found that only residents in Decile brackets 6 through 9 could meet the affordability thresholds in order to rent a 1- or 2-bedroom accommodation.

This is not a new challenge in Carleton Place. While building permit statistics show an increase in multi-unit residential construction in the last five years, the influx of new units remains insufficient to compensate for the deficit of rental construction from the past 20 years.

Baby-boomer Migration

Lanark County's report on *Municipal Tools to Support Affordable Housing* notes a significant projected demand for rental housing in order to accommodate the aging baby-boomer demographic. As these households age, the desire to sell off major real estate assets in favour of low-maintenance and accessible accommodation will result in further increases on the demand for quality rental

accommodation in Town. Across the region, the County also noted that further stress will be placed on urban communities, such as Carleton Place, which can offer a more independent and sustainable lifestyle for seniors with localized access to goods and services within the neighbourhood. The County projects that serviced areas will see an inward migration of seniors moving from rural and rural-suburban residences into Town, compounding the demand for higher-density rental housing.

Insufficient Subsidized Housing

Across the Lanark County region, there is a notable deficit of subsidized housing, short-term accommodation, special needs housing, and non-profit communal accommodations. Similarly, to seniors housing, a disproportionate pressure is felt in urban and serviced settlement areas which can arguably better meet the needs of residents seeking such accommodation by providing close, walkable access to goods and services. This means that while Social Services Housing is provided on a region-wide basis, the Town must be prepared to accommodate and offer housing for a regional demographic.

Data Shortfalls

Historically, housing and market data for the Town of Carleton Place has been inconsistently collected and geographically generalized.

While CMHC has recently commenced the collection of Zone 17 information in the *Rental Market Survey*, this census subdivision includes Carleton Place, Beckwith and Mississippi Mills – three widely distinct neighbourhoods with different housing characteristics.

Within recent collections, data reported is noted as being highly unreliable and is to be applied with caution.

Similarly, the 2021 census included the collection of a significant number of new statistical categories providing a look at household size, makeup, income levels, as well as housing statistics related to the building inventory within the community. While this information is helpful as a point-in-time analysis of the community, its true value is as a trend indicator over the long-term. With the 2026 census scheduled to occur after the next federal election, it is imperative that the impartial collection, reporting and analysis of these new data

classes remains a priority for any new administration.

Locally, there has been a concerted effort from the County of Lanark Social Services Department to collect and report on local housing supply and demand in order to evaluate the community's affordability. While this has been of immense help to lower-tier governments in the analysis of affordability requirements within the context of the Provincial Policy Statement, there is a gap in the quality and collection of information on the entire housing continuum.

Future Community Needs

Affordable Homeownership

The need for affordable homeownership will constitute one of Carleton Place's most pressing future community needs. As stated above, owner-occupied housing is defined as affordable when "the purchase price results in an annual accommodation cost of less than 30% of the gross annual household income for low- and moderate-income households" or "*Where the purchase price is at least 10% below the average purchase price for a resale unit in the regional market*". Using this definition, an affordable owner-occupied home is less than \$323,700.00 in 2020 or, using the latter definition, \$318,998 in 2020 in Lanark County¹⁷.

Current Carleton Place MLS® stats indicate an average house price of

\$584,358 for August 2024, meaning that the average home in Carleton Place is unaffordable for residents¹⁸.

If home ownership is to remain unaffordable, this will continue to put pressure on the rental market as low- and medium-income households are forced to continue renting rather than entering the ownership housing market, increasing pressure on the already limited rental market in Carleton Place. High home ownership prices and rental prices may also push low- and middle-income households to live in unsuitable housing (i.e. too few rooms for inhabitants as per CMHC's National Occupancy Standard requirements). Increasing affordable homeownership in Carleton Place is therefore of great importance to increasing the quality of life of residents.

Smaller/accessible units

The development of a greater stock of missing middle housing types in Carleton Place will be increasingly important as Carleton Place continues to grow and age. Currently, there are 21,624 seniors living in the County of Lanark. This is projected

¹⁷ Lanark County, 2023.

¹⁸ Zolo, 2024.

to reach 32,214 by 2046¹⁹.As such, it is important that Carleton Place plan for suitable housing for these seniors.

Age friendly housing to allow seniors to move to housing that is more suited to their needs is required, especially as their mobility changes with age. Developing housing using concepts of Universal Design and ensuring smaller housing options are available for seniors will be necessary to ensure that appropriate housing is available for an aging population in Carleton Place. In doing so, Carleton Place can ensure that the senior population in Town will be able to age within the community.

“Over housing”

The term over housing refers to “any household with more space than the recommended amount of space for its residents according to the National Housing Standard”.²⁰ CMHC’s National Occupancy Standard states that, generally, occupants who are not married or under 18 should have their own room

with a maximum occupancy of two individuals per room.²¹

The 2021 Census estimates that over a third of bedrooms in Carleton Place are empty. Of the 5341 dwellings in Carleton Place, it is estimated that 9285 bedrooms are used while 5065 bedrooms remain empty.²²

2021 Census Housing Data	
Total Population (2021)	12,517
Dwellings	5,341
Households	5,210
Empty bedrooms (lower bound)	5,065
Used Bedrooms	9,285

Figure 25 – Census Housing Data (StatsCan, 2021)

Over housing usually occurs due to changes in the composition of the household. Families that were once in housing that was appropriate for the size of the household become over housed when adult children leave the home, and the parents who remain become “empty nesters”. This results in a number of bedrooms in the home becoming empty. In an ideal situation, these empty nesters would downsize, allowing a younger family

¹⁹ LGLDHU, 2024.

²⁰ R-LABS, 2024.

²¹ CMHC, 2022

²² CensusMapper, 2022.

that is growing to move into the house and occupy the currently empty bedrooms.

However, over housed individuals are finding it increasingly difficult to downsize due to a lack of appropriate housing types available and lack of affordable housing options. Factors contributing to over housing in Carleton Place include a lack of missing middle housing types such as apartments, duplexes, and stacked townhomes. Homeowners and renters must often choose between apartments/condominiums or single or semi-detached homes. As stated above, 65.3% of dwellings within the Town represent single or semi-detached units (3,405) while townhomes and other multiple units represent approximately 15% of the housing stock and a remaining 20% of units represent “other” apartment style accommodations. This lack of missing middle housing types often requires homeowners and renters to choose between housing accommodations that are either below CMHC’s National Occupancy Standard for bedrooms, or far exceeds it resulting in bedrooms remaining empty.

A lack of affordable housing for seniors and an increased desire for seniors to age in place has resulted in seniors retaining their homes rather than downsizing. Many seniors simply cannot afford to downsize. High home and rental prices make downsizing to more suitable housing, such as a small bungalow or apartment, unaffordable for many seniors. Many seniors consequently remain over housed resulting in a frozen supply of single-family homes.

Alternatively, many older individuals would prefer to remain in their homes and age in place rather than downsize. According to CMHC research, 85% of older adults over the age of 55 years prefer to “Age in Place” in their homes and communities rather than downsizing.²³

The development of more missing middle housing, affordable housing, and seniors housing, and perhaps shorter-term solutions such as home-sharing can help ease continued over housing situations in Carleton Place.

²³ Lantz & Fenn, 2017.

More subsidized housing

As stated above, the average wait time for subsidized housing in Carleton Place is seven (7) years, with wait times in Carleton Place being highest within the County of Lanark. It will be imperative that the current stock of non-market housing be expanded to meet this need and ensure vulnerable populations, such as seniors, single parent households, and youth, are not being left behind. Examples of community housing options that could be expanded in Carleton Place include,

- public housing,
- not-for-profit and co-operative housing, and
- rent supplement programs.²⁴

²⁴ MMAH, 2024.

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