Onward/ By 2020, The City will enable affordable housing choices targeting 600-800 new units in new and established communities.
AFFORDABLE HOUSING DIVISION

Calgary Affordable Housing Needs Assessment

June 2012

Authors:
Claire Noble
Residential Development Research Assistant

And

Cheryl Selinger
Residential Development Research Assistant

Additional Information:
Claire Noble or Cheryl Selinger
Affordable Housing Division
Office of Land Servicing and Housing
The City of Calgary
Tel: 403-268-5493
E-Mail: claire.noble@calgary.ca or cheryl.selinger@calgary.ca

© 2012 The City of Calgary, Office of Land Servicing and Housing, Affordable Housing Division
Executive Summary

Affordable Housing is a priority of The City of Calgary and is recognized as an integral part of complete communities in The City’s long-range vision for the future. The need for affordable housing is well-recognized and since 2001, The City of Calgary has committed the funds to build over 1,000 units of affordable housing to alleviate this need. Given the importance of affordable housing and the magnitude of The City’s investment in affordable housing, this research was needed to inform the quantity, type and location of future affordable housing development by The City.

This 2012 Housing Needs Assessment (HNA) report answers the question ‘who is in need of affordable housing?’ and gives some indication of what types of affordable housing are deficient. In 2012, affordable housing preferences research was undertaken to better answer the questions ‘what type of housing and what locations (where) are preferred by those in need?’ Together these two pieces of research will inform the setting of goals regarding the number, type and location of affordable housing units to be delivered as part of the Short-Term Development Strategy and the Corporate Affordable Housing Strategy update. These strategies will address the question of ‘how and when affordable housing is to be delivered’. This HNA may also be useful for advocacy purposes.

This report is primarily for City of Calgary staff working on affordable housing, but may also be useful to anyone else interested in affordable housing need in Calgary, such as Calgary City Council, the provincial government and community-based affordable housing providers.

This report is a synthesis of relevant secondary data on demographic and economic trends, the housing market, poverty and housing need. A future update is envisioned to occur in early 2014 and every five years thereafter to coincide with the release of Federal Census data. To augment the secondary data included in this report, primary data on the housing preferences of low- and middle-income Calgarians was collected in 2012 and the results will be included in the 2014 update.

The need for affordable housing in Calgary is significant. According to the Canada Mortgage and Housing Corporation (CMHC), a household is
considered to be in core housing need if it must spend greater than 30% of its gross income to secure housing that is:

- Adequate - in good repair, and
- Suitable - has enough bedrooms for the household, according to the National Occupancy Standards.

For the purposes of this report, households are assumed to need affordable housing if they earn less than $44,000 per year and are currently spending more than 30% of their income on housing.

In 2006, Calgary was home to 383,640 households, of which 72,195 were in need of affordable housing. Of these households in need, 33,585 were low-income owner households and 38,610 were low-income renter households (The City of Calgary, CNS, 2008). These figures do not take into account low-income households that are currently acceptably housed, including those residing in the 11,759 units of non-market rental units presently in Calgary’s housing stock (The City of Calgary, CNS and OLSH, 2012). In all, 18.8% of all Calgary households were in need of affordable housing (The City of Calgary, CNS, 2010). Many of these households were either overspending on market rental housing, or living temporarily with friends or family.

While affordable housing of all types is needed, supply issues are expected for housing with two or more bedrooms, as well as accessible and adaptable housing. Row homes and dwellings with more than two bedrooms are expected to comprise much of the decline in the rental housing stock in the coming decades. As such, supply shortages in both market and non-market housing are expected for these larger units. There are also a very limited number of known accessible or adaptable units in the non-market rental supply; presumably, the market rental supply is similarly limited.

Demand factors such as population trends and economy influence housing need. Housing need may be influenced by these population trends in Calgary:

- The number of seniors will grow rapidly as the baby boomers age; by 2036 over 15% of the population will be over 65 years old (Merrill Cooper, 2006)
- Calgary had a 10% increase in the number of children 0-4 years of age between 2006 and 2011 (Statistics Canada, 2012) and, over the next
five years population growth will be driven by births rather than net migration, as it has previously been (The City of Calgary, CNS, 2011),

- Calgary will experience a rapidly growing young Aboriginal population (Merrill Cooper, 2006) and,
- Calgary will likely remain a major Canadian destination for immigrants (Merrill Cooper, 2006), and net migration is expected to remain positive at least over the next five years (The City of Calgary, CNS, 2011).

These factors are significant because many immigrant and Aboriginal households are families with children, and many seniors will develop disabilities as they age. These trends are expected to contribute to the increasing demand for units with a larger number of bedrooms and accessible or adaptable units.

There are traditionally high poverty rates among unattached individuals (45-59), lone-parents, recent immigrants, people with disabilities and Aboriginals (Merrill Cooper, 2006). The current information on housing need and relevant trends in Calgary points to several key subpopulations in housing need. These key subpopulations are:

- Unattached individuals aged 45-59,
- Seniors,
- Households with the presence of a disability,
- Families with children, particularly lone-parents,
- Recent immigrant-headed households, and
- Aboriginal-headed households.

Clearly these sub-populations encompass a large proportion of the population. These subpopulations are not mutually exclusive and there is likely overlap between several categories.

These populations are considered “key” because they meet one or more of the following criteria:

- They constitute a large portion of all households in need,
- They have a high rate of housing need,
- They are predicted to experience high population growth, and/or
- They are not well served by the existing and future housing supply.
Historically, the proportion of households in need of affordable housing has remained relatively stable at approximately 18% (The City of Calgary, CNS, 2010). If this trend continues, approximately 86,832 households are projected to need affordable housing by 2018. This represents an increase of approximately 1,200 households in need each year. In contrast, historically only 200-300 new units of affordable housing (rental and ownership) are created each year.

A number of factors threaten to increase the proportion of households in need of affordable housing in Calgary. These factors include:

- A backlog of prospective first-time homebuyers who remain in the rental market because they are increasingly priced out of homeownership,
- Predicted declines in the market rental supply as existing supply reaches the end of its useful lifespan,
- Loss of rental units to condominium conversion (because the majority of units are now in the secondary rental market, and can be more readily removed for resale), and
- Predicted declines in the non-market rental supply as existing units reach the end of their useful life spans.

Further, the current approach to homelessness in Calgary involves Housing First. “With Housing First, the priority is to quickly move people experiencing homelessness into appropriate housing first, and then begin to work on the issues that contributed to their homelessness from the stability and safety of a home” (Calgary Homeless Foundation, 2011). Accordingly, more than 3,000 additional homes will be required to house the homeless during the 2008-2018 implementation of Calgary’s 10 Year Plan to End Homelessness (Calgary Homeless Foundation, 2012).

In sum, given the current rate of growth in housing need and affordable housing development, the affordable housing shortfall is expected to grow by at least 1,000 units per year from the existing 72,195 shortfall. The greatest shortages are expected to occur in the accessible, adaptable and larger bedroom unit types.
Executive Summary ................................................................................................................. 1

1.0 Introduction .......................................................................................................................... 7

  1.1 Affordable Housing in Calgary ......................................................................................... 7
  1.2 Purpose of this Report .................................................................................................... 7
  1.3 Methodology and Study Area ....................................................................................... 8

2.0 Current Housing Need ......................................................................................................... 10

  2.1 Definition of Housing Need and Affordable Housing .................................................. 10
  2.2 Total Current Affordable Housing Need ..................................................................... 12
  2.3 Renters in Housing Need ............................................................................................. 13
  2.3.1 Renters in Housing Need with Adequacy and Suitability Challenges .................... 16
  2.3.2 Non-Market Housing Wait Lists as an Indication of Housing Need ...................... 17
  2.4 Homeowners in Housing Need .................................................................................... 22
  2.5 Affordability Challenges of Specific Populations ....................................................... 23

  2.5.1 Aboriginals .............................................................................................................. 24
  2.5.2 Newcomers ............................................................................................................ 27
  2.5.2.1 Temporary Foreign Workers ........................................................................... 30
  2.5.3 Persons with Disabilities ....................................................................................... 30
  2.5.4 Seniors ................................................................................................................... 32
  2.5.5 Lone-Parents ........................................................................................................ 33

3.0 Future Housing Need ......................................................................................................... 34

  3.1 Estimate of Growth of Housing Need .......................................................................... 34
  3.2 Factors that will affect Growth in Housing Need ......................................................... 36

  3.2.1 General Population and Economic Factors ............................................................ 36
  3.2.2 Poverty Factors ..................................................................................................... 37
  3.2.2 Housing Supply Factors ....................................................................................... 38
  3.2.3 Homelessness Strategy Factors ............................................................................ 45

  3.3 Summary of Factors Affecting Growth of Housing Need ......................................... 46

4.0 Conclusion .......................................................................................................................... 48

  4.1 Next Steps ...................................................................................................................... 49

List of Tables ............................................................................................................................. 50

List of Figures ........................................................................................................................... 51

References ............................................................................................................................... 52
The City of Calgary provides this information in good faith. However, The City of Calgary makes no representation, warranty or condition, statutory express or implied, takes no responsibility for any errors and omissions which may be contained herein and accepts no liability for any loss arising from any use or reliance on this report.
1.0 Introduction

1.1 Affordable Housing in Calgary

The City of Calgary is committed to creating “complete communities” as part of its Council-approved Municipal Development Plan. Affordable housing is recognized as an integral part of this commitment in a number of The City’s plans. The availability of housing options for all citizens is a key success measure.

The City of Calgary’s 2012-2014 approved business plan and budget emphasizes the importance of affordable housing as part of Priority Area 1: “ensuring every Calgarian lives in a safe community and has the opportunity to succeed” (The City of Calgary, 2012).

Since 2001, The City of Calgary has committed the funds to build over 1,000 units of affordable housing to address affordable housing need.

1.2 Purpose of this Report

The purpose of this research is to inform future affordable housing development by The City of Calgary. A secondary purpose of this research is to provide other affordable housing providers in Calgary with a detailed portrait of the current and projected need for affordable housing in the city.

This 2012 Housing Needs Assessment (HNA) report answers the question ‘who is in need of affordable housing?’ and gives some indication of what types of affordable housing are deficient. In 2012, affordable housing preferences research was undertaken to better answer the questions ‘what type of housing and what locations (where) are preferred by those in need?’ Together these two pieces of research will inform the setting of goals regarding the number, type and location of affordable housing units to be delivered as part of the Short-Term Development Strategy and the Corporate Affordable Housing Strategy update. These strategies will address the question of ‘how and when affordable housing is to be delivered’. This HNA may also be useful for advocacy purposes.
This report identifies key subpopulations in need of affordable housing and the quantity of affordable housing that is required to meet this need from 2013-2018. The first section of this report provides the purpose and method used to undertake the research. The second section presents detailed information about the current affordable housing need. The third section predicts affordable housing need from 2013-2018, and discusses various factors that will affect the quantity and type of affordable housing needed. A final section provides a conclusion and next steps. An update is planned every five years, to coincide with the federal census cycle.

1.3 Methodology and Study Area

This housing needs assessment focuses on the following factors, which influence housing affordability and the need for affordable housing:

- Population growth
- Migration trends
- Demographic trends
- Labour market trends
- Real estate market trends
- Rental market trends
- Poverty

This initial affordable housing needs assessment makes use of secondary data sources and is a compilation of research, data and findings from other City of Calgary departments and outside organizations. The three appendices attached to this report support the findings herein.
The inclusion of primary data is planned for the 2014 update of this report. In 2012, The Affordable Housing Section conducted primary research through a survey and a series of focus groups with low- and middle-income Calgarians, focusing on their location, form, and design preferences. Special consideration was given to any unique needs and preferences of six specific subpopulations: unattached individuals aged 45-59, seniors, households with the presence of a disability, families with children (including lone-parent families), Aboriginals, and recent immigrants. The results of this housing preferences research will be applied to the Calgary context to identify sites desirable for affordable housing development.

The study area in this report is Calgary, Alberta, Canada, as defined by the city limit boundary (see Figure 1). Some reference to the Calgary Economic Region and the Calgary Census Metropolitan Area (CMA) is made where data specific to the city was unavailable.

*Figure 1: The City of Calgary, city limit boundaries*
2.0 Current Housing Need

2.1 Definition of Housing Need and Affordable Housing

Statistics Canada and Canada Mortgage and Housing Company (CMHC) consider housing affordable if a household spends 30% or less of their gross income on shelter. For housing to be acceptable, it must not only be affordable, but also adequate (in good repair) and suitable (have enough bedrooms for the household size, according to the National Occupancy Standards). A household is in core housing need if its housing falls below at least one of the adequacy, affordability or suitability standards and it would have to spend 30% or more of its gross income to find housing that meets all three standards (Canada Mortgage and Housing Corporation). It is important to recognize that households in core housing need are not necessarily homeless. In many cases they are currently overspending on market accommodations or temporarily living with friends or family.

Households may overspend on housing for a variety of reasons, regardless of income or tenure. A higher income household may overspend by choice, to live in a luxury home or a highly-desirable location, whereas a lower income household is more likely to overspend out of necessity, because acceptable market housing is not available in their price-range. The majority of households overspending on shelter have incomes within the lower ranges. This is especially true of households overspending on rental, the more affordable tenure (see Figure 2).
The Calgary City Council approved definition of affordable housing is housing that “adequately suits the needs of low- and moderate-income households at costs below those generally found in the Calgary market. It may take a number of forms that exist along a continuum” including various rental options through to entry-level home ownership (see Figure 3). Affordable housing is targeted to households with 65 percent or less of the median household income in Calgary (The City of Calgary, 2002). Based on 2006 data, this means that housing initiatives in Calgary are targeted to households with a gross income of less than $44,000 per year that are spending 30% or more of that income on housing (The City of Calgary, CNS, 2012).
This definition provides high-level direction for the creation of affordable housing and enables research on housing need based on federal census data. In practice, core need income thresholds are used to evaluate a household’s eligibility for City of Calgary affordable housing. Core needs income thresholds vary by bedroom number required and by municipality, and are published annually by the Government of Alberta. The 2012 core need income thresholds for Calgary can be seen in Table 1.

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3 Bedroom</th>
<th>4 Bedroom</th>
<th>5+ Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$30,000</td>
<td>$37,500</td>
<td>$46,000</td>
<td>$53,000</td>
<td>$57,500</td>
</tr>
</tbody>
</table>

Table 1 2012 Core Need Income Thresholds for Calgary (Alberta Municipal Affairs, 2012)

2.2 Total Current Affordable Housing Need

There are approximately 116,000 households with an income of $44,000 or less per year in Calgary. These households currently reside throughout the housing continuum and, in some cases, in homelessness. Many have their housing needs met through existing market rental and ownership opportunities, as well as current non-market rental and ownership supply.

As identified by the 2006 Federal census, 72,195 low-income households do not have their housing needs met; 38,610 renter households and 33,585 owner households are in need of affordable housing (see Figure 5). Due to population growth, this number has likely risen since the 2006 census was conducted. Furthermore, there are 3,190 additional people who are currently homeless and in need of affordable housing, many of whom were not captured by the federal census (Calgary Homeless Foundation, 2012).
The 72,195 low-income households in need of affordable housing constituted 18.8% of all 383,640 Calgary households in 2006 (The City of Calgary, CNS, 2010). Over time, as Calgary’s population has grown, the proportion of households in need of affordable housing has remained relatively constant. On average, 18.1% of all households were in housing need between 1991 and 2006 (The City of Calgary, CNS, 2010).

### 2.3 Renters in Housing Need

As of 2006, there were 38,610 target income renter households overspending on shelter (37% of all renter households in Calgary). The majority (20,985) of these single-person households; however, large numbers of lone-parent, couple, roommate, and two-parent households are also represented (Table 2).
Table 2: Target-income (<$44,000) renter households that are spending 30% or more of gross income on shelter, as a percentage of all renter households in Calgary

<table>
<thead>
<tr>
<th>Type of Renter Household</th>
<th>All Renter Households in Calgary Number</th>
<th>Target Income Renter Households that are Overspending on Shelter Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual Households</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Single person households</td>
<td>42,685</td>
<td>20,985</td>
<td>49.2%</td>
</tr>
<tr>
<td>• Two or more unrelated individuals sharing a household</td>
<td>13,875</td>
<td>3,970</td>
<td>28.6%</td>
</tr>
<tr>
<td><strong>Family Households</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Two-person families – no children</td>
<td>16,460</td>
<td>4,035</td>
<td>24.5%</td>
</tr>
<tr>
<td>• Two-parent families – with children</td>
<td>14,675</td>
<td>3,915</td>
<td>26.7%</td>
</tr>
<tr>
<td>• Lone-parent families – with children</td>
<td>10,215</td>
<td>4,575</td>
<td>44.8%</td>
</tr>
<tr>
<td>• Any type of family household that has unrelated persons sharing the household</td>
<td>5,165</td>
<td>965</td>
<td>18.7%</td>
</tr>
<tr>
<td><strong>Multi-Family Households</strong></td>
<td>960</td>
<td>145</td>
<td>15.1%</td>
</tr>
<tr>
<td>• Households in which two or more families occupy the same private dwelling</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>104,040</td>
<td>38,610</td>
<td>37.1%</td>
</tr>
</tbody>
</table>

(The City of Calgary, CNS, 2008)

The Calgary renter households overspending on shelter are located throughout the city, with concentrations in the inner-city as well as several established communities (see Figure 4).
Figure 5: Index of volume tenants spending 30% or more of income on rent, Calgary, 2006 (The City of Calgary CNS, 2010)
2.3.1 Renters in Housing Need with Adequacy and Suitability Challenges

Adequate housing is defined as dwellings with all basic plumbing facilities that “need only regular maintenance or at most minor repairs” (Canada Mortgage and Housing Corporation, 2011). In the federal census, Statistics Canada asks householders to indicate if their dwelling is in need of regular maintenance, minor repairs, or major repairs.

As of 2006, of the 38,610 “target-income” renter households in Calgary that are in housing need, less than 10% of these or approximately 3,400 households were also living in inadequate housing that needs major repairs (The City of Calgary, CNS, 2008).

Suitable housing is defined as dwellings that have enough bedrooms for the size and make-up of the resident households. In some cases, although rent may be affordable, accommodations in that rent range may be unsuitable due to overcrowding. For example, a family of four with a household income of $44,000 may be able to afford a bachelor apartment in Calgary, but that apartment is unsuitable for them because the family would be overcrowded in a bachelor suite.

Overcrowding is determined in relation to the National Occupancy Standards, which state that there can be no more than two persons per bedroom, parents are eligible for a bedroom separate from their children, household members aged 18 or older are eligible for a separate bedroom unless married or cohabitating as spouses, and dependants aged five or older of the opposite sexes do not share a bedroom (The City of Calgary, CNS, 2009). As of 2006, overcrowding did not appear to be a significant issue for Calgary households overall (The City of Calgary, CNS, 2009).
Key Findings - Affordability, Adequacy and Suitability Challenges: As of 2006, there were 38,610 target income renter households overspending on shelter. The majority (20,985) of these were single-person households; however, large numbers of lone-parent, couple, roommate, and two-parent households were also represented. These households currently live throughout the city, with concentrations in the centre city and several established communities. Of these households, less than 10% or approximately 3,400 households are also living in inadequate housing that needs major repairs. As of 2006, overcrowding (housing suitability) did not appear to be a significant issue for Calgary households. Overall, affordability appears to be a much greater problem than adequacy or suitability.

2.3.2 Non-Market Housing Wait Lists as an Indication of Housing Need

The 2011 Survey of Non-Market Rental Housing in Calgary reported that in total, 25 agencies (81%) maintain 52 waiting lists. 4,351 households were seeking access to non-market housing, as of August 15, 2011 (The City of Calgary, CNS and OLSH, 2012). Of these, 619 households were on a waiting list for a provider other than Calgary Housing Company (The City of Calgary, CNS and OLSH, 2012). It is important to note that there may be some degree of overlap, with some households likely appearing on multiple wait lists.

Calgary Housing Company’s (CHC) wait list is an indicator of demand for affordable housing; it contains a portion of the 38,610 Calgary households in need of affordable rental housing. As shown below, the number of applicants has more than doubled since 2005.

Table 3: Calgary Housing Company wait list (in April of each year)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011*</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td>1859</td>
<td>1896</td>
<td>2111</td>
<td>2638</td>
<td>3750</td>
<td>4148</td>
<td>3809</td>
</tr>
</tbody>
</table>

*As of November 16 2011
(Calgary Housing Company, 2010) (Wilkins, 2011)

An analysis of the CHC waitlist was conducted in June 2010 and updated in November 2011. The greatest numbers of households on the waitlist need one- and two-bedroom units. However, taking into consideration the fact that larger units accommodate more people, it is estimated that the greatest number of people are
waiting for two-and three-bedroom units. For example, while 22% of the households on the waitlist need more than two bedrooms, approximately 41% of the people on the waitlist need more than two bedrooms.

Table 4: Calgary Housing Company waitlist demand by bedroom size, actual % of households and estimated # of people (November 2011)

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Units (based on April 2011 waitlist)</th>
<th>% households</th>
<th>Estimated # of people (based on National Occupancy Standards*)</th>
<th>% people</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-bedroom</td>
<td>1562</td>
<td>41%</td>
<td>1683</td>
<td>18%</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>1409</td>
<td>37%</td>
<td>4036</td>
<td>42%</td>
</tr>
<tr>
<td>Three-bedroom</td>
<td>571</td>
<td>15%</td>
<td>2492</td>
<td>26%</td>
</tr>
<tr>
<td>Four-bedroom</td>
<td>229</td>
<td>6%</td>
<td>1114</td>
<td>12%</td>
</tr>
<tr>
<td>Five+ bedroom</td>
<td>38</td>
<td>1%</td>
<td>280</td>
<td>3%</td>
</tr>
</tbody>
</table>

Households: (Wilkins, 2011) People: assumed a constant proportion of lone-parents across 2-5+ bedroom types, and that each child’s bedroom contains 1.5 children (same sex children under 18 years are assumed to share a bedroom).

As of April 2012, The Accessible Housing Society Housing Registry had 44 applicants who have applied to Calgary Housing Company for affordable and accessible housing. The majority of these households require Level 1 accessible housing, which is for those with canes or walkers who can’t climb stairs and who may require grab bars in their units (see Table 4).
Table 5: Accessible Housing Society Housing Registry applicants who have applied to Calgary Housing Company for affordable and accessible housing, April 30, 2012

<table>
<thead>
<tr>
<th>Level of Need</th>
<th>Description</th>
<th>Number of Applicants</th>
<th>% of Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>For those with canes or walkers, who can’t climb stairs and may need grab bars in their units</td>
<td>31</td>
<td>70%</td>
</tr>
<tr>
<td>2</td>
<td>Between level 1 and 3</td>
<td>4</td>
<td>10%</td>
</tr>
<tr>
<td>3</td>
<td>For those in wheelchairs or scooters. Unit is fully accessible, with wheel-in showers, lower counter tops, and wider doors.</td>
<td>9</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>44</strong></td>
<td></td>
</tr>
</tbody>
</table>

(Theresa Shields, 2012).

Most (87%) of homeless households on the Calgary Housing Company waitlist require one-bedroom units (see Table 5).

Table 6: Waitlist demand by bedroom size, for homeless (June 2010)

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-bedroom</td>
<td>87%</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>10%</td>
</tr>
<tr>
<td>Three+ bedroom</td>
<td>3%</td>
</tr>
</tbody>
</table>

(homeless households make up 22% of all households on the wait list)

(Calgary Housing Company, 2010)

Many (43%) of the recent immigrants on the Calgary Housing Company waitlist require two-bedroom units (see Table 6).

Table 7: Waitlist demand by bedroom size, for recent immigrants (June 2010)

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-bedroom</td>
<td>29%</td>
</tr>
<tr>
<td>Two-bedroom</td>
<td>43%</td>
</tr>
<tr>
<td>Three-bedroom</td>
<td>18%</td>
</tr>
<tr>
<td>Four-bedroom</td>
<td>8%</td>
</tr>
<tr>
<td>Five+ bedroom</td>
<td>2%</td>
</tr>
</tbody>
</table>

(recent immigrants make up 30% of all households on the wait list)

(Calgary Housing Company, 2010)

The waitlist analysis also examined where households on the waitlist prefer to live, based on the locations of existing CHC buildings. The result is a fairly equal desire to live in all quadrants of the city. When analyzed further, by community, there are
six preferred communities: Bridgeland, Falconridge, Kensington, Killarney, Rundle, and Whitehorn. (Calgary Housing Company, 2010).

Table 8: Waitlist demand by geographic sector (June 2010)

<table>
<thead>
<tr>
<th>Quadrant:</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northeast</td>
<td>27%</td>
</tr>
<tr>
<td>Northwest</td>
<td>25%</td>
</tr>
<tr>
<td>Southeast</td>
<td>24%</td>
</tr>
<tr>
<td>Southwest</td>
<td>24%</td>
</tr>
</tbody>
</table>

(Calgary Housing Company, 2010)

The most common household types on the waitlist are lone-parent families (36%), singles (34%), and two-parent families (21%). A small proportion of the waitlist is comprised of seniors (3%) and couples without children (4%) (see Figure 6).

Figure 6: Calgary Housing Company waitlist demand by household type, November 2011
Key Findings - Waitlist for Non-Market Housing: The 2011 Survey of Non-Market Rental Housing in Calgary reported that in total, 25 agencies (81% of all agencies surveyed) maintain 52 waiting lists. In August 2011, 4,351 households were waiting for non-market housing. On the Calgary Housing Company wait list, the greatest demand by number of households was for 1- and 2-bedroom units, whereas the greatest demand by number of people was for 2- and 3-bedroom units. Homeless households make up 22% of the waitlist and 87% of homeless households require 1-bedroom units. Recent immigrants make up 30% of the waitlist and 43% of recent immigrant households require 2-bedroom units. Overall, the top preferred communities (where Calgary Housing Company has existing housing) are Bridgeland, Falconridge, Kensington, Killarney, Rundle and Whitehorn. Common household types on the waitlist are: lone-parents (36%), singles (34%) and two-parent families (21%).
2.4 Homeowners in Housing Need

By The City of Calgary’s measure of housing need there are 33,585 owner households in need of affordable housing because they earn less than $44,000 and they spend 30% or more of gross household income on shelter. There are many more owner households in Calgary than renter households (279,600 owner households compared to 104,040 renter households) and this figure represents only 12% of all owner households (The City of Calgary, CNS, 2008). About half of overspending owner households are single-person households (15,755). However, large numbers of couple, two-parent, and lone-parent households are also represented (The City of Calgary, CNS, 2008).

Table 9: Target-income (<$44,000) owner households that are spending 30% or more of gross income on shelter, as a percentage of all renter households in Calgary

<table>
<thead>
<tr>
<th>Type of Owner Household</th>
<th>All Owner Households in Calgary</th>
<th>Target Income Owner Households that are Overspending on Shelter</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Number</td>
</tr>
<tr>
<td><strong>Individual Households</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single person households</td>
<td>56,345</td>
<td>15,755</td>
</tr>
<tr>
<td>Two or more unrelated individuals sharing a households</td>
<td>10,860</td>
<td>1,585</td>
</tr>
<tr>
<td><strong>Family Households</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two-person families – no children</td>
<td>71,685</td>
<td>4,500</td>
</tr>
<tr>
<td>Two-parent families – with children</td>
<td>100,305</td>
<td>6,295</td>
</tr>
<tr>
<td>Lone-parent families – with children</td>
<td>19,705</td>
<td>4,170</td>
</tr>
<tr>
<td>Any type of family household that has unrelated persons sharing the household</td>
<td>13,915</td>
<td>925</td>
</tr>
<tr>
<td><strong>Multi-Family Households</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Households in which two or more families occupy the same private dwelling</td>
<td>6,775</td>
<td>290</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>279,600</td>
<td>33,585</td>
</tr>
</tbody>
</table>

(The City of Calgary, CNS, 2008)
**Key Findings - Homeowners in Need:** As of 2006, there were 33,585 low-income owner households overspending. About half of overspending owner households (15,755) are single-person households although large numbers of two-parent, couple and lone-parent households are also represented.

### 2.5 Affordability Challenges of Specific Populations

This section will examine the affordability challenges of specific populations. Some of these populations compose a large portion of the population in need, while others have a high prevalence of housing need.

According to the most current census data, the current population in need of affordable housing includes large numbers of individual households, households with the presence of a disability, families with children, and households headed by a senior (see Figure 7). Households with the presence of a disability, headed by a lone-parent or by a recent immigrant or Aboriginal household maintainer are also of interest because they have a high prevalence of housing need. It is important to note that these are not mutually exclusive categories. For example, many seniors also have disabilities.
Figure 7: Number of households in need of affordable housing, various subpopulations (Statistics Canada, 2006)

2.5.1 Aboriginals

In a 2009 study, significantly more Aboriginals were concerned about not having safe housing conditions and not having enough money for housing than non-Aboriginal persons (The United Way and The City of Calgary, 2011). In 2006, 27 percent of Calgary households with an Aboriginal primary household maintainer (PHM) were in need of affordable housing compared to 18% of all Calgary households.

In the 2008 Count of Homeless Persons, Aboriginal persons accounted for 15% of homeless persons in Calgary. This is significant because Aboriginal persons only account for 3% of Calgary’s population (The City of Calgary, 2008).

As of 2006, there were 3,525 Aboriginal Primary Household Maintainer households in need of affordable housing in Calgary, 2,555 of which were renter and 970 of which were owner households (The City of Calgary, CNS, 2008).
Table 10: All target income (<$44,000) households with an Aboriginal PHM that are spending 30% or more on shelter as a percent of all households in Calgary with an APHM.

<table>
<thead>
<tr>
<th>Type of Household with an Aboriginal PHM</th>
<th>All Aboriginal PHM Households in Calgary</th>
<th>All Target Income Households with an Aboriginal PHM that are Overspending on Shelter</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># of Renter Households</td>
<td># of Owner Households</td>
</tr>
<tr>
<td><strong>Individual Households:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single person households</td>
<td>3,185</td>
<td>1,020</td>
</tr>
<tr>
<td>Two or more unrelated individuals sharing a households</td>
<td>1,115</td>
<td>215</td>
</tr>
<tr>
<td><strong>Family Households</strong></td>
<td>8,485</td>
<td>1,255</td>
</tr>
<tr>
<td>Two-person families – no children</td>
<td>2,315</td>
<td>220</td>
</tr>
<tr>
<td>Two-parent families – with children</td>
<td>3,325</td>
<td>260</td>
</tr>
<tr>
<td>Lone-parent families – with children</td>
<td>1,790</td>
<td>595</td>
</tr>
<tr>
<td>Any type of family household that has unrelated persons sharing the household</td>
<td>1,055</td>
<td>180</td>
</tr>
<tr>
<td><strong>Multi-Family Households</strong></td>
<td>270</td>
<td>25</td>
</tr>
<tr>
<td>Households in which two or more census families occupy the same private dwelling</td>
<td>270</td>
<td>25</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>13,060</td>
<td>2,555</td>
</tr>
</tbody>
</table>

(The City of Calgary, CNS, 2008)

Of the Aboriginal PHM households in need of affordable housing, approximately half currently live in 2-bedroom units (see Figure 8).
Housing adequacy is a much smaller problem than housing affordability among Aboriginal PHM households. 3.6% of all Aboriginal headed households were in need of affordable and adequate housing compared to 1.4% of all Calgary households. Research indicates that overcrowding is not a significant issue for Calgary Aboriginal PHM households (The City of Calgary, CNS, 2010).

Figure 8: Number of target income households (<$44,000) with an Aboriginal primary household maintainer that are spending 30% or more of their gross income on shelter, and number of bedrooms in their current residence (Statistics Canada, 2006)
2.5.2 Newcomers

As of 2006, a total of 242,745 immigrants live Calgary. Over 23% of these are recent immigrants, meaning that they arrived in Canada within the last five years.

Recent immigrants are twice as likely to experience housing affordability challenges as Canadian-born renters. Barriers to affordable housing include discrimination, low-income, family size, and language difficulties and community knowledge (The City of Calgary, CNS, 2011).

In a 2009 study, recent immigrants were more likely to report being concerned about not having safe housing conditions and not having enough money for housing than non-recent immigrants (The United Way and The City of Calgary, 2011). Recent immigrants have historically had a difficult time securing meaningful employment, and have faced language barriers and limited housing availability (The City of Calgary, CNS, 2011).

As of 2006, there were 2,800 renter and 2,055 owner households with a recent immigrant primary household maintainer (PHM) in need of affordable housing. The majority of these were family households, most of which were two-parent families with children (The City of Calgary CNS, 2009).
Table 11: All target income (<$44,000) households with a recent immigrant primary household (RIPHM) maintainer that are spending 30% or more of their gross income on shelter as a percentage of all households in Calgary with a RIPHM

<table>
<thead>
<tr>
<th>Type of Household with an RIPHM</th>
<th>All RIPHM Households in Calgary</th>
<th>All Target Income Households with an RIPHM that are Overspending on Shelter</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>No. Renter Households</td>
</tr>
<tr>
<td>Individual Households:</td>
<td>2,310</td>
<td>730</td>
</tr>
<tr>
<td>Single person households</td>
<td>1,540</td>
<td>540</td>
</tr>
<tr>
<td>Two or more unrelated individuals sharing a households</td>
<td>770</td>
<td>190</td>
</tr>
<tr>
<td>Family Households</td>
<td>12,355</td>
<td>2,035</td>
</tr>
<tr>
<td>Two-person families – no children</td>
<td>2,305</td>
<td>475</td>
</tr>
<tr>
<td>Two-parent families – with children</td>
<td>8,340</td>
<td>1,190</td>
</tr>
<tr>
<td>Lone-parent families – with children</td>
<td>870</td>
<td>305</td>
</tr>
<tr>
<td>Any type of family household that has unrelated persons sharing the household</td>
<td>840</td>
<td>65</td>
</tr>
<tr>
<td>Multi-Family Households</td>
<td>585</td>
<td>25</td>
</tr>
<tr>
<td>Households in which two or more families (with or without additional unrelated persons) occupy the same private dwelling</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>15,255</td>
<td>2,800</td>
</tr>
</tbody>
</table>

(The City of Calgary CNS, 2009)

The majority of renter households with a recent immigrant PHM currently reside in 1- or 2-bedroom units, whereas the majority of owners currently reside in 3- or 4-bedroom units (see Figure 9).
Of all the recent immigrant headed households in Calgary, 2.0% are experiencing affordability and adequacy challenges (The City of Calgary CNS, 2008) compared to 1.4% of all Calgary households.

Households with a recent immigrant PHM that face affordability challenges experience more crowding than the general population. The crowding index for all recent immigrant headed households is 0.83. The crowding index for all recent immigrant renter households is 1.09 (The City of Calgary CNS, 2009). Any value greater than 1.0 represents overcrowding.

In a 2009 survey of 289 newcomers, most respondents resided with spouses (60%) and children (58%). Only 4% lived with parents, 3% with siblings and 2% with in-laws. House sharing was very common in the sample: 44% of respondents reported sharing housing with non-family members. Most often, they reported sharing the kitchen, living room, bathroom and dining room (Calgary Homeless Foundation, University of Calgary, United Way, and The City of Calgary, 2008).

Respondents reported experiencing difficulties finding or sustaining housing as a result of: a low income (33%), no job (21%), language barriers (24%), age of children (20%), lack of references (18%), lack of identification documents (17%), family size (16%), ethnicity/race (13%) and lack of credit history (13%) (Calgary Homeless Foundation, University of Calgary, United Way, and The City of Calgary, 2008).
Homeless Foundation, University of Calgary, United Way, and The City of Calgary, 2008).

2.5.2.1 Temporary Foreign Workers

18,478 temporary foreign workers (TFWs) were present in Calgary as of December 1, 2010. In 2010, 8,193 TFWs entered Calgary. TFWs face unique challenges regarding housing. Under the law, employers must provide adequate housing for TFWs. Sub-standard housing arrangements, often at excessive rents owed to the employer, are among the many difficulties and abuses reported by TFWs (Alberta Federation of Labour, 2009). Although TFWs face housing challenges, they are not eligible for The City's affordable housing because of their residency status (The City of Calgary).

2.5.3 Persons with Disabilities

In a 2009 survey, Calgarians with disabilities were four times as likely to use subsidized housing during the previous year as respondents without a disability (The United Way and The City of Calgary, 2011).

Statistics Canada defines disabilities as “difficulties with daily activities and the reduction in the amount or kind of activities due to physical or mental or other health problems ... that have lasted or are expected to last six months or more.” In 2006, there were 157,615 individuals in Calgary who had disabilities, accounting for 16.1% of the population (The City of Calgary CNS, 2010) (The City of Calgary, Social Policy and Planning, 2010).

Of the 31,345 renter households in Calgary with the presence of a disability in the households (PDH), 45.1% earn less than $44,000 and are currently spending 30% or more of their gross income on housing. This amounts to 14,135 households, the majority of which are single-person households. (The City of Calgary, CNS, 2008) As Calgary’s population ages, the number of persons with disabilities is expected to rise (The City of Calgary, CNS, 2011).
Table 12: Households with the presence of a disability that earn less than $44,000 and are spending 30% or more of their gross income on shelter, as a percentage of all presence of disability renter households in Calgary

<table>
<thead>
<tr>
<th>Type of Renter Household</th>
<th>All PDIH Renter Households in Calgary</th>
<th>Target Income PDIH Renter Households that are Overspending on Shelter</th>
<th>% of all PDIH Renter Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Households</td>
<td>16,060</td>
<td>9,245</td>
<td>57.6%</td>
</tr>
<tr>
<td>· Single person households</td>
<td>13,275</td>
<td>8,205</td>
<td>61.8%</td>
</tr>
<tr>
<td>· Two or more unrelated individuals sharing a households</td>
<td>2,785</td>
<td>1,040</td>
<td>37.3%</td>
</tr>
<tr>
<td>Family Households</td>
<td>14,785</td>
<td>4,820</td>
<td>32.6%</td>
</tr>
<tr>
<td>· Two-person families – no children</td>
<td>4,775</td>
<td>1,490</td>
<td>31.2%</td>
</tr>
<tr>
<td>· Two-parent families – with children</td>
<td>4,240</td>
<td>1,210</td>
<td>28.5%</td>
</tr>
<tr>
<td>· Lone-parent families – with children</td>
<td>3,715</td>
<td>1,690</td>
<td>45.5%</td>
</tr>
<tr>
<td>· Any type of family household that has unrelated persons sharing the household</td>
<td>2,055</td>
<td>430</td>
<td>20.9%</td>
</tr>
<tr>
<td>Multi-Family Households</td>
<td>495</td>
<td>20</td>
<td>4.0%</td>
</tr>
<tr>
<td>· Households in which tow or more families (with or without additional unrelated persons) occupy the same private dwelling</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>31,345</td>
<td>14,135</td>
<td>45.1%</td>
</tr>
</tbody>
</table>

(The City of Calgary, CNS, 2008)

The majority of renter households with the presence of a disability in the household currently reside in a 1- or 2-bedroom unit, whereas the majority of owners currently reside in a 2- or 3-bedroom unit (see Figure 10).
Of all households with the presence of a disability, 2.2% are in need of both affordable and adequate housing, as compared to 1.4% of all Calgary households (The City of Calgary, CNS, 2008). Among households with the presence of a disability, overcrowding does not appear to be an issue (The City of Calgary, CNS, 2009).

Accessible housing is designed so that all necessities in the home such as kitchens, bathrooms and bedrooms are readily accessible and usable by people of all ages and mobility levels including persons with disabilities. Adaptable housing is designed for use by the general public and has features that can be easily modified or adapted to the special needs of those with disabilities at a later date (e.g. removable cupboards in a kitchen or bathroom to create knee space for wheelchair access if necessary). Universal design refers to designs that are inherently accessible to people both with and without disabilities. Households with the presence of a disability may require housing that is accessible, adaptable, or universal depending on their needs and household composition.

2.5.4 Seniors

In 2009, Calgary’s seniors were much less likely to report being concerned about not having enough money for housing than middle-aged and young adult respondents (The United Way and The City of Calgary, 2011). As more people enter their senior years without adequate retirement income and/or savings for retirement and demand for affordable and accessible housing rises, seniors may come to feel more pressure related to housing cost.
Generally, seniors prefer to age in place, meaning they want to stay in their home or community as they age. To do this, they need affordable and accessible transportation and housing, as well as access to amenities, support services, and information. Rising utility costs, property taxes and transportation costs make it difficult for some seniors to stay in their homes (The City of Calgary, CNS, 2011).

In 2006, 14.9% (6,940) of seniors in Calgary spent 30% or more of their gross household income on shelter costs (The City of Calgary, CNS, 2009). In Calgary there are 6,900 senior headed renter households and 5,470 senior headed owner households in need of affordable housing (The City of Calgary, CNS, 2009). Of senior-headed households in need of affordable housing, 77% are one-person households and 22% are couple households.

### 2.5.5 Lone-Parents

In 2006, 29,915 Calgary households were headed by a lone-parent (The City of Calgary, CNS, 2008). Lone-parent households typically face greater financial strains than other households due to the high costs associated with childcare, need for larger and more expensive housing, and limited number of household earners.

In Calgary, 44.8% of lone-parent renters and 21.2% of lone-parent owners, or a total of 8,745 lone-parent households earn less than $44,000 and are overspending on shelter (The City of Calgary, CNS, 2008). Of the renter lone-parent households in need of affordable housing, 495 or 4.8% are also in need of adequate housing (The City of Calgary, CNS, 2008).

---

**Key Findings - Housing Affordability Challenges of Specific Populations:** Of the 38,610 Calgary renter households in need of affordable housing, 14,135 or 36.6% are households with the presence of a disability, 6,900 or 17.9% are seniors, 4,575 or 11.8% are lone-parent households, 7.3% or 2,800 have a recent immigrant primary household maintainer and 2,555 or 6.6% have an Aboriginal primary household maintainer. These subpopulations are considered key because they either compose a large portion of the population in need of affordable housing or have a high rate of housing need.
3.0 Future Housing Need

3.1 Estimate of Growth of Housing Need

From 1991-2006, the percentage of households in need of affordable housing has remained relatively steady at an average of 18.1% (The City of Calgary, CNS, 2010).

Taking population projections from the Calgary & Region Economic Outlook 2011-2016 into consideration, if Calgarians maintain an average household size of 2.5 people, and the proportion of Calgary households in need of affordable housing remains constant at approximately 18%, the number of households in need of affordable housing will continue to grow to 82,296 in 2014, 84,528 in 2016 and 86,832 in 2018. This represents an increase of approximately 1,200 households in need annually.

In 2006, 53% of households in need of affordable housing were renters. Assuming that this proportion holds steady, the number of households in need of affordable rental housing will be 43,617 in 2014, 44,800 in 2016, and 46,021 in 2018. The predicted rate of increase is roughly 650 renter and 550 owner households per year (see Table 13 and Figure 11).

Table 13: Forecast housing need for 2012, 2014, 2016 and 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Population (individuals)</th>
<th>Average Households size</th>
<th>Total Population (households)</th>
<th>Number of households in need of affordable housing</th>
<th>Number of renter households in need of affordable housing</th>
<th>Number of owner households in need of affordable housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006 (actual)</td>
<td>398,867</td>
<td>2.5</td>
<td>72,195</td>
<td>38,610</td>
<td>33,585</td>
<td></td>
</tr>
<tr>
<td>2012 (forecast)</td>
<td>444,000</td>
<td>2.5</td>
<td>79,920</td>
<td>42,358</td>
<td>37,562</td>
<td></td>
</tr>
<tr>
<td>2014 (forecast)</td>
<td>457,200</td>
<td>2.5</td>
<td>82,296</td>
<td>43,617</td>
<td>38,679</td>
<td></td>
</tr>
<tr>
<td>2016 (forecast)</td>
<td>469,600</td>
<td>2.5</td>
<td>84,528</td>
<td>44,800</td>
<td>39,728</td>
<td></td>
</tr>
<tr>
<td>2018 (forecast)</td>
<td>482,400</td>
<td>2.5</td>
<td>86,832</td>
<td>46,021</td>
<td>40,811</td>
<td></td>
</tr>
</tbody>
</table>

Population forecasts (The City of Calgary, CNS, 2011)
2006 Actual Number of Households in Need (The City of Calgary, CNS, 2008)
Figure 11: Forecast affordable housing need and supply

The forecast rate of increase in housing need is approximately 1,200 units per year, far greater than the typical rate of increase in supply (see Figure 11). Even if the historical trend continues to add approximately 129 non-market rental units per year (as reported from 2005-2011 by The 2011 Non-Market Housing Survey), and up to 100 non-market homeownership units per year, an annual deficit of about 1,000 units per year is still expected.

Key Findings - Future Affordable Housing Need: As of 2006, there were 38,610 renter households and 33,585 owner households in need of affordable housing. If the population continues to grow steadily and the rate of households in need of affordable housing remains at 18%, then it is projected that 46,021 renter households and 40,811 owner households will be in need of affordable housing in 2016. This represents a growing need of approximately 1,200 units per year. The historic pattern of creating approximately 200 non-market rental and ownership units per year will not be sufficient to meet this need.
3.2 Factors that will affect Growth in Housing Need

This section outlines some of the many factors that will likely affect the affordable housing need in the future.

3.2.1 General Population and Economic Factors

Calgary is now the fourth largest city in Canada (Statistics Canada, 2008). During the last census period, the population grew at a rate above the provincial and national averages (Statistics Canada, 2008). It is expected that at least half of the population growth over the next decade will be from young foreign immigration, and a rapidly growing young Aboriginal population will contribute significantly to Calgary’s future demographic profile (Merrill Cooper, 2006). It is also expected that the fastest growing age group in the next few decades will be seniors (Merrill Cooper, 2006). Even if the rates of housing need among these groups remain the same, the number of households in need is expected to grow as these groups increase in size.

There is a “mini baby boom” currently occurring in Alberta (Gandia, 2012). Calgary had a 10% increase in the number of children 0-4 years of age between 2006 and 2011 (Statistics Canada, 2012). Calgary was in the top 15% of all municipalities, with a population over 5,000, based on the percentage change of children 0-14 years from 2006 to 2011 (Statistics Canada, 2012). Even if the rates of housing need among families with children remain the same, the number of households in need is expected to grow as the number of families with children grows.

Household formation is a key driver of housing demand. Despite the “mini baby boom”, average household size is predicted to continue to shrink, contributing to household formation. More of the growth in household formation will occur among households without children, especially those in the older age groups (Merrill Cooper, 2006). Because those in the oldest age groups exhibit higher maintainer rates for apartments, demand for apartments is expected to increase (Urban Futures, 2008). Given the low-density nature of the existing housing supply in Calgary and the limited speed in which industry is able to respond to changes in demand, the market value of smaller, apartment-style housing is expected to increase and the need for affordable housing of this form is expected to grow.

Calgary has experienced strong economic growth in recent years. Current projections suggest that the economy will continue to grow, albeit much more modestly (The City of Calgary, CFO’s Dept, 2011). Future employment growth is expected to concentrate in the health, professional services, and food and accommodation services sectors (Merrill Cooper, 2006). This last sector has a relatively low hourly wage and corresponding annual income (Government of
Alberta, 2009 Alberta Wage and Salary Survey, 2010). A large gap exists between the minimum and the average wage in Calgary and reflects disparity between the poor and wealthy. Some upward pressure on wages is expected to result from future labour shortages, but its effect on part-time, low-skilled, and low-wage earners will likely be limited (Merrill Cooper, 2006, p. 12). Therefore, it is expected that a portion of the Calgary labour force will continue to need affordable housing.

3.2.2 Poverty Factors

Low-Income Cut-Offs (LICOs) are income thresholds, below which families devote a larger share of income to the necessities of food, shelter and clothing than the average family would (Statistics Canada, 2011). Approximately 14.2 percent of Calgary residents or almost 140,000 households had before-tax incomes below the LICO in 2005 (The City of Calgary CNS, 2010). During the same time period, nearly 16 percent of children under the age of 18, and nearly 14 percent of seniors were living in households below their LICO (The City of Calgary CNS, 2010).

Canada Housing and Mortgage Company (CMHC) uses the term “core housing need” to identify households that are living in inadequate, unsuitable and/or unaffordable housing. If a household is unable to find shelter that is adequate and suitable without spending more than 30 percent of their income, the household is considered to be in core housing need (Co-operative Housing Federation of Canada, 2007). Core need income thresholds vary by bedroom number required and by municipality, and are published annually by The Government of Alberta.

Nine percent of households in the Calgary CMA were in core housing need, as of 2006 (Canada Mortgage and Housing Corporation, 2009). The incidence of core housing need in Calgary was highest among Aboriginal, immigrant, and lone-parent households, as well as among unattached seniors and women, as of 2001 (Merrill Cooper, 2006).

The incidence of persistent low-income has generally been concentrated among five population groups in Canada: unattached/single individuals aged 45 – 59, lone-parents, recent immigrants, persons with disabilities, and off-reserve Aboriginal persons (Hatfield, 2003). Given that the overall populations of seniors, household with the presence of disabilities (related to growth in seniors’ population), recent immigrants, Aboriginal-headed households, and families with children (some of which will be lone-parent families) are expected to grow, one can expect growth in the number of households in housing need that fall into these groups.
3.2.2 Housing Supply Factors

Three key changes related to housing supply have the potential to increase affordable housing need: increasing home prices, declining market rental supply, and declining non-market rental supply.

3.2.2.1 The (Homeownership) Affordability Gap

According to RBC Economics, in November 2011 Calgary had a (detached bungalow) Housing Affordability Measure of 37.6 percent, compared to 90.6 for Vancouver, 52.1 percent for Toronto and 42.7 percent nationally (RBC Economics, 2011). This measure shows the proportion of median pre-tax income required for homeownership in the city, and a lower number indicates housing that is more affordable. This suggests that amongst major Canadian cities, Calgary is one of the more affordable cities in which to buy a home.

That said, in a 2009 study of social issues of concern, almost one-third of Calgarians were concerned about not having enough money for housing (The United Way and The City of Calgary, 2011). The City of Calgary’s Corporate Economics Division tracks housing unaffordability in Calgary, as shown in the following figure. According to this information, housing is much less affordable than it was pre-2005, and the unaffordability index has remained relatively high from 2006 to 2010.

![Figure 12: Housing unaffordability index, City of Calgary (The City of Calgary, CNS, 2011)](image)

The term (homeownership) affordability gap is often used to describe the difference between the income required to rent and that required to buy. The size and placement of this gap varies depending on the number of bedrooms needed. Currently, there is no gap/difference between the income required to rent and that required to buy for a one-bedroom household, as one can buy a bachelor condo...
with a slightly lower income than required to rent a one-bedroom condo. For a two-bedroom household the gap falls between $45,000-85,000 and for a three-bedroom household the gap falls between $45,000-95,000 (see Figures 13-15). The more bedrooms a household requires, the larger the affordability gap. It is important to consider housing supply when examining this gap. Some types of housing may be available at low prices, but supply may be extremely limited or in very poor condition.

**Figure 13: A range of one-bedroom housing, Calgary 2011** (Statistics Canada, 2006) (Canada Mortgage and Housing Corporation, 2011) (The Canadian Real Estate Association, 2011)
Figure 14: A range of two-bedroom housing, Calgary 2011 (Statistics Canada, 2006) (Canada Mortgage and Housing Corporation, 2011) (The Canadian Real Estate Association, 2011)

Figure 15: A range of three-bedroom housing, Calgary 2011 (Statistics Canada, 2006) (Canada Mortgage and Housing Corporation, 2011) (The Canadian Real Estate Association, 2011)

When moderate income households are priced out of the ownership market, they remain in the rental market. This additional demand can lower vacancy rates, and
in turn raise rent rates. The result is a supply and affordability problem for lower income households in the rental market.

Recent changes to mortgage rules include a reduction in the maximum amortization period from 30 to 25 years and a reduction in the maximum gross and total debt service ratios to 39% and 44%, respectively (Robertson, 2012). These changes will further increase the barriers to homeownership, causing additional households to become “priced out” of the market.

Several non-market homeownership programs have emerged recently to respond to the rapid increase in home prices, adding a total of approximately 500 units. Renter households with incomes that fall within the affordability gap and who are not currently overspending on housing are an appropriate target market for affordable homeownership programs. Approximately 49,875 Calgary households meet these criteria. Individuals may be employed in a range of different occupations, depending on the number of people employed in the household (see Table 13).
<table>
<thead>
<tr>
<th>Reside in bachelor or 1-bedroom unit and earn less than $70,000</th>
<th>Number of renter households in target income range and spending less than 30% of income on rent</th>
<th>Examples of occupations within $10,000 of maximum salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 17,110</td>
<td>11,840 individuals, 2,970 couples, 970 room mates, 775 couples with children</td>
<td>Admin Assistant ($43,979), Emergency Medical Personnel ($61,439), Carpenter ($63,105), Property Assessor ($69,557)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reside in 2-bedroom unit and earn less than $80,000</th>
<th>Number of renter households in target income range and spending less than 30% of income on rent</th>
<th>Examples of occupations within $10,000 of maximum salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 18,175</td>
<td>5,140 individuals, 3,835 room mates, 3,725 couples, 2,485 two-parent families, 2,275 lone-parent families</td>
<td>Accountant ($71,292), Plumber ($72,479), Registered Nurse ($74,432), Meat Cutter + Admin Assistant ($31,323 + $43,979), Call Centre Agent + Hair Stylist ($40,873 + $38,711)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reside in 3-bedroom unit and earn less than $90,000</th>
<th>Number of renter households in target income range and spending less than 30% of income on rent</th>
<th>Examples of occupations within $10,000 of maximum salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 10,980</td>
<td>3,445 two parent families, 1,755 lone-parent families, 1,585 room mates, 1,520 couples, 1,285 singles</td>
<td>Community Planner ($87,336), Bus Driver + Librarian ($37,932 + $49,604), Payroll Administrator + Upholsterer ($49,618 + $37,784), Caterer + Cabinet Maker ($43,339 + $46,088)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reside in 4+ bedroom unit and earn less than $90,000</th>
<th>Number of renter households in target income range and spending less than 30% of income on rent</th>
<th>Examples of occupations within $10,000 of maximum salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total 3,610</td>
<td>980 two-parent families, 685 room mates, 505 lone-parent families, 415 couples, 335 individuals</td>
<td></td>
</tr>
</tbody>
</table>
### 3.2.2.2 The Rental Market

The rental housing stock continued to decline for the eighth consecutive year in 2011 (Canada Mortgage and Housing Corporation, 2011). This is due to conversions and demolitions of existing rental stock and insignificant levels of new rental construction. As of 2011, there were 34,814 private apartments and 3,843 private row homes in Calgary (Canada Mortgage and Housing Corporation, 2011). Based on year of construction and a typical building lifespan of 50 years for a woodframe building, many rental units are expected to reach the end of their lifespan between 2010-2030 (see Figure 16). This would cause significant declines in the rental stock, and result in lower vacancy rates and higher rents. The result will be a supply and affordability problem for lower income households in the rental market.

Many units in the cohort that is approaching the end of its lifecycle contain a greater number of bedrooms. Consequently, rental market supply shortages are expected to be more severe for units with three or more bedrooms.

The market rental supply is especially vulnerable to decline given the recent changes in composition. The secondary rental market is now larger than the primary (purpose built) rental market, with over 65,000 units: over 16,000 single-detached units, over 26,000 semi-detached (row & duplex) units, over 11,000 condominium units, and over 11,000 other units (primarily accessory/secondary suites) (Canada Mortgage and Housing Corporation, 2011). Many of these units, such as single-detached homes and individual condo units have their own land title. When Calgary experiences another real estate boom, these units will be much more quickly and easily removed for resale. In contrast, during the previous real estate boom, many purpose built apartment units were required to undergo the lengthy and not inexpensive process of condominiumization before they could be sold.
In the near future, vacancy rates have begun to come down to neutral levels (roughly 2%) which is expected to support slight increases in rent rates throughout 2012 (Canada Mortgage and Housing Corporation, 2011).

### 3.2.2.3 Non-Market Rental

A total of 31 agencies in Calgary provide 11,759 units of non-market housing to low-income Calgarians in 591 sites or projects (The City of Calgary, CNS and OLSH, 2012).

Only 9% of non-market housing units are in buildings that have been built in the past 20 years (The City of Calgary, CNS and OLSH, 2012). Consequently, a large number of non-market rental units are expected to reach the end of their useful lifespan from 2020-2040 (see Figure 17). This reduction in non-market housing supply is expected to result in more unmet housing need. Further, a larger portion of the row homes in the non-market rental supply are part of this cohort, therefore supply shortages are expected to be more serve in row homes product. Row homes tend to have more bedrooms, and are often suitable for families with children.

![Non-Market Housing Projects Predicted to Approach the End of their Lifecycle](image)

**Figure 17:** Non-market housing projects predicted to approach the end of their lifecycle (The City of Calgary, CNS and OLSH, 2012).

Less than 3% of the non-market housing stock in Calgary is known to be accessible or adaptable (The City of Calgary, CNS and OLSH, 2012). Given the predictions for a growing number of households with the presence of a disability, shortages in accessible and adaptable non-market housing are expected.

The overall turnover rate of tenants in non-market units was 22% per year. The top reasons for resident turnover were: moved to a retirement home/long-term care, or death (52%), moved to another subsidized unit by the same provider (15%),
evicted (14%), moved into the rental market (6%), and purchased a home (2%) (The City of Calgary, CNS and OLSH, 2012). Calgary Housing Company reported a wait list of 3809 households, as of November 2011 (Wilkins, 2011).

Overall, reasons for non-market housing resident turnover indicate that, in most cases, non-market rental is not acting as a launching pad to transition households into self-sufficient living in market accommodation. In fact, the long wait list suggests a bottleneck, where the rate of households applying to non-market housing far exceeds the rate of households moving out of non-market housing into market housing.

3.2.3 Homelessness Strategy Factors

Changes to the approach to homelessness require more affordable housing. Calgary’s 10-Year Plan to End Homeless favours a Housing First approach, where “the priority is to quickly move people experiencing homelessness into appropriate housing first, then begin to work on the issues that contributed to their homelessness from the stability and safety of a home” (Calgary Homeless Foundation, 2011). Many homeless individuals may not have been captured by the Federal census, and thus represent additional housing need, beyond what was estimated in this report. The Calgary Homeless Foundation 2012 homeless count enumerated 3,190 people experiencing homelessness (Calgary Homeless Foundation, 2012).
3.3 Summary of Factors Affecting Growth of Housing Need

Future housing need may be higher than predicted, because:

- Moderate income households are increasingly becoming priced out of the homeownership market and are placing additional demand on the rental market
- The market rental supply has been experiencing a continuous decline and a large portion of rental housing stock is approaching the end of its useful lifespan
- The majority of the market rental supply is now in the secondary rental market. Many of these units (such as condominium apartments) can be quickly removed for resale if Calgary experiences another real estate boom
- A large portion of the non-market rental supply is approaching the end of its useful lifespan
- Few households are progressing from non-market rental to self-sufficiency in market rental, causing a backlog of households on the waitlist for non-market rental
- The new Housing First approach to ending homelessness will require additional non-market rental supply

Future housing need will be shaped by the following characteristics of housing supply:

- Declines expected in family-oriented, three or more bedroom non-market and market rental stocks because many of these units are reaching the end of their lifespan
- Limited number of accessible or adaptable units in the existing non-market supply

Future housing need will be shaped by the following general population trends:

- Half of the population growth in the near future will be from young foreign immigration (many of these households will have children)
- A rapidly growing Aboriginal population (many of these households will have children)
- Seniors age group rapidly growing as the baby boomers become older adults (many will develop disabilities)
- Household sizes continuing to shrink
- A mini baby boom is currently taking place in Calgary
Future housing need will also be shaped by the trend of higher poverty rates among the following five sub-populations:

- Unattached individuals aged 45-59
- Lone-parents
- Recent immigrants
- People with disabilities
- Aboriginals
4.0 Conclusion

The magnitude of the existing and future housing need is very high compared to the existing non-market supply and the historical rate of affordable housing creation.

The current information on housing need and relevant trends points to several key subpopulations in housing need: unattached individuals aged 45-59, seniors, households with the presence of a disability, families with children, lone-parents, recent immigrant-headed households and Aboriginal-headed households. These populations are considered “key” because they meet one or more of the following criteria: constitute a large portion of all households in need, have a high rate of housing need, are predicted to experience high population growth, and are not well served by the housing supply (see Table 14). These subpopulations are not mutually exclusive; there is likely much overlap in several categories.

Table 15: Key Subpopulations in Housing Need and Rationale

<table>
<thead>
<tr>
<th>Subpopulation</th>
<th>Constitute a large portion of housing need</th>
<th>Among this group, a high percentage are in housing need</th>
<th>High growth of this population is expected</th>
<th>Not well served by existing housing supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unattached individuals aged 45-59</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seniors</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Disability</td>
<td>✓</td>
<td>✓</td>
<td>✓*</td>
<td>✓**</td>
</tr>
<tr>
<td>Families with children</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lone-parents</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recent Immigrants</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓***</td>
</tr>
<tr>
<td>Aboriginals</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓***</td>
</tr>
</tbody>
</table>

* Due to aging population
** Supportive and accessible housing
*** Specifically, families
4.1 Next Steps

This report contains much information about the number of households in need of affordable housing and their characteristics. However, little is known about the location and type of housing required to meet this need. Affordable housing preferences research is required to determine the location and type of housing required to meet the need.

An affordable housing preferences survey was conducted in 2012 and will identify the preferences these households have for housing location, form and design. These preferences will be distilled into a set of criteria that can then be applied to the Calgary context to identify specific locations throughout the city that are preferable for future affordable housing development. These locations will be taken into consideration in the development of a short-term development strategy for The Affordable Housing Division.
List of Tables

Table 1 2012 Core Need Income Thresholds for Calgary (Alberta Municipal Affairs, 2012) ................................................................. 12
Table 2: Target-income (<$44,000) renter households that are spending 30% or more of gross income on shelter, as a percentage of all renter households in Calgary .......................................................................................................................... 14
Table 3: Calgary Housing Company wait list (in April of each year) ......................... 17
Table 4: Calgary Housing Company waitlist demand by bedroom size, actual % of households and estimated # of people (November 2011) ....................................................... 18
Table 5: Accessible Housing Society Housing Registry applicants who have applied to Calgary Housing Company for affordable and accessible housing, April 30th 2012 .......................................................................................................................... 19
Table 6: Waitlist demand by bedroom size, for homeless (June 2010) .................... 19
Table 7: Waitlist demand by bedroom size, for recent immigrants (June 2010) .... 19
Table 8: Waitlist demand by geographic sector (June 2010) ............................ 20
Table 9: Target-income (<$44,000) owner households that are spending 30% or more of gross income on shelter, as a percentage of all renter households in Calgary .......................................................................................................................... 22
Table 10: All target income (<$44,000) households with an Aboriginal Primary Household Maintainer (PHM) that are spending 30% or more on shelter as a percent of all households in Calgary with an APHM.............................................................................. 25
Table 11: All target income (<$44,000) households with a recent immigrant primary household (RIPHM) maintainer that are spending 30% or more of their gross income on shelter as a percentage of all households in Calgary with a RIPHM ........................................................................................................................................................................ 28
Table 12: Households with the presence of a disability that earn less than $44,000 and are spending 30% or more of their gross income on shelter, as a percentage of all presence of disability renter households in Calgary ...................................................... 31
Table 13: Forecast housing need for 2012, 2014, 2016 and 2018 ........................ 34
Table 14: Number of renter households that fall within homeownership “affordability gap” ............................................................................................................. 42
Table 15: Key Subpopulations in Housing Need and Rationale ............................. 48
List of Figures

Figure 1: The City of Calgary, city limit boundaries ......................................................... 9
Figure 2: 2006 Calgary renter and owner households – total and overspending on Housing (Statistics Canada, 2006) .................................................................................. 11
Figure 3 Housing Continuum ............................................................................................... 12
Figure 4 Distribution of low-Income (<$44,000) households and housing need .... 13
Figure 5: Index of volume tenants spending 30% or more of income on rent, Calgary, 2006 (The City of Calgary CNS, 2010) ............................................................... 15
Figure 6: Calgary Housing Company waitlist demand by household type, November 2011 .......................................................................................................................... 20
Figure 7: Number of households in need of affordable housing, various subpopulations (Statistics Canada, 2006) ............................................................... 24
Figure 8: Number of target income households (<=$44,000) with an Aboriginal primary household maintainer that are spending 30% or more of their gross income on shelter, and number of bedrooms in their current residence (Statistics Canada, 2006) ........................................................................................................ 26
Figure 9: Number of target income households with a recent immigrant primary household maintainer that are overspending on shelter, and number of bedrooms in current residence (Statistics Canada, 2006) ........................................................................................................ 29
Figure 10: Number of target households with the presence of a disability in the household that are spending 30% or more of their gross income on shelter and number of bedrooms in current residence (Statistics Canada, 2006) ............................................................... 32
Figure 11: Forecast affordable housing need and supply .................................................. 35
Figure 12: Housing unaffordability index, City of Calgary (The City of Calgary, CNS, 2011) .......................................................................................................................... 38
Figure 13: A range of one-bedroom housing, Calgary 2011 (Statistics Canada, 2006) (Canada Mortgage and Housing Corporation, 2011) (The Canadian Real Estate Association, 2011) ...................................................................................................................... 39
Figure 14: A range of two-bedroom housing, Calgary 2011 (Statistics Canada, 2006) (Canada Mortgage and Housing Corporation, 2011) (The Canadian Real Estate Association, 2011) ...................................................................................................................... 40
Figure 15: A range of three-bedroom housing, Calgary 2011 (Statistics Canada, 2006) (Canada Mortgage and Housing Corporation, 2011) (The Canadian Real Estate Association, 2011) ...................................................................................................................... 40
Figure 16: Market housing units predicted to approach the end of their lifecycle. Estimated based on 50 year lifespan and construction dates (Canada Mortgage and Housing Corporation). ...................................................................................................................... 43
Figure 17: Non-market housing projects predicted to approach the end of their lifecycle (The City of Calgary, CNS and OLSH, 2012). ........................................................................ 44
References


http://liveincalgary.com/jobs/calgary-salaries-and-wages


Canada Mortgage and Housing Corporation. (2011, November 30). *special data request*.


Canada Mortgage and Housing Corporation. (2010). *Canadian Housing Observer, Data Tables, Homeownership Market*.


Human Resources and Skills Development Canada. (2011, 12 05). personal communication with Michelle Hapuararachchi.


Statistics Canada. (2012, 05 12). *Population by broad age groups and sex, percentage change (2006 to 2011) for both sexes, for Canada and census subdivisions (municipalities) with 5,000-plus population*. Retrieved 07 03, 2012,


The City of Calgary. (2002). *Corporate Affordable Housing Strategy.*


The City of Calgary, City Clerk's. (2011). *2011 Civic Census Results.*


The City of Calgary, CNS. (2012). *Fast Facts #01 The City of Calgary's Definition of Affordable Housing.*


The City of Calgary, CNS. (2009). *Reserach Brief #11 - Housing Suitability in Calgary for Households with the Presence fo a Disability in the Households*.


