



# Housing, Affordability and Equity

One of the ways in which the City of Waterloo is planning for population growth (we are expected to reach 160,183 permanent residents and students by 2041) is by increasing our housing density in certain designated areas. While planning for more living units in a smaller space, we also need to consider people of all levels of income, abilities, and at different life stages. In planning for complete communities, we help ensure a variety of housing types and tenures (financial arrangements for living, such as tenant or owner-occupied) at different price points, all close to transit, employment and amenities.

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Planning for compact, mixed-use communities also helps to reduce infrastructure and service duplication costs, preserves agricultural lands and natural areas, encourages social interaction and a greater sense of belonging, provides a full range of transportation options, and supports

climate change mitigation. The Official Plan review will evaluate existing policies and explore new policies for the development of complete communities and ensure the provision of a diversity of housing types, tenures and costs throughout the city.

## EXISTING CONDITIONS / INITIATIVES

### **■ Intensification in strategic growth areas is an opportunity to create more complete communities**

Residential intensification involves increasing dwelling units on existing properties, or building on vacant spaces in designated growth areas of the city. This will allow these areas to transition from lower to higher densities, creating transit friendly, mixed use communities that provide more housing, employment and recreational opportunities, all close to home and for people at all life stages. A successful transformation of these areas will include redevelopment that includes an appropriate transition in height to blend with nearby lower density areas, high quality urban design, high quality public realm (the areas between and around buildings, such as streets, squares and parks) and an appropriate amount of amenity spaces (both indoor and outdoor).

### **■ Increasing housing density**

The City's 2012 Official Plan accommodates new population growth through residential intensification within the built-up area of the city, and new residential construction in remaining greenfield areas. Key focal areas for intensification are the Uptown Waterloo Urban Growth Centre, Major Transit Station Areas and other designated Nodes and Corridors, and residential development within several of these areas will become taller and denser than previous development. A small amount of remaining undeveloped lands on the periphery of the city are planned to support lower density building forms such as single-detached homes and semi-detached homes, and townhouses, along with some smaller scale apartments.

## **Housing affordability is declining**

Household incomes have not kept pace with rising housing costs in Waterloo and much of southern Ontario (and Canada). The growing difference between incomes and housing costs has created affordability challenges for one quarter of Waterloo's households, and it is estimated that this proportion is growing. Affordability is particularly challenging for low-income households and a growing number of moderate income households. (For more information see the [Waterloo Housing Needs and Demand Analysis, 2020](#).)

## **Housing is needed for all life stages**

Suitable housing means different things to different people. Waterloo's relatively large population of students and young professionals creates significant demand for rental housing in close proximity to transit, post-secondary schools and employment. The aging Baby Boomer generation will increase the proportion of older seniors (75 years and older), many of whom will require a wider range of housing options within neighbourhoods, including units that are smaller, accessible, and adaptable, as well options for communal or supportive housing.

## **New provincial and regional policies**

Changes to the 2012 Official Plan are required to reflect or conform to recent changes to Ontario's planning policy and legislation, including the PPS 2020, the Planning Act, and Ontario's Housing Supply Action Plan. These documents include requirements for the city to plan to accommodate provincially-forecasted residential growth for a minimum of 15 years through residential intensification and, if necessary, lands designated for residential development. The Official Plan will also be updated to reflect changes to the Region of Waterloo Official Plan, and relevant masterplans. The Region's housing target for 30% of all new residential development between 2019 and 2041 to be affordable for low and moderate income households will also need to be considered.

## STRATEGIC DIRECTIONS

### ■ **Planning for a sufficient supply of all housing types by:**

- Supporting redevelopment and intensification in designated growth areas
- Increasing the supply of context-sensitive housing options within neighbourhoods
- Facilitating the servicing and development of remaining greenfield areas
- Encouraging a greater diversity of housing types, sizes, forms and tenures throughout the city and within neighbourhoods

### ■ **Planning for a sufficient supply of affordable housing by:**

- Supporting the creation of more affordable housing for low and moderate income households
- Supporting Region of Waterloo housing initiatives that create and maintain affordable housing
- Encouraging the development of primary rental units
- Encouraging the creation of more accessible, adaptable and visitable housing

### ■ **Supporting existing and emerging complete communities by:**

- Adopting a “20-minute city” approach, where most needs, such as housing, employment, schools, healthcare services and shops, are all located within a 20-minute walk radius
- Continuing to plan for and support all modes of transportation, with emphasis on complete streets, transit-supportive development, and a connected active transportation network
- Ensuring that all new and intensifying residential areas are adequately supported by a high quality public realm

## POLICY CONSIDERATIONS

- **Review residential land use policies** to ensure they accommodate desired levels of intensification in designated growth areas, and provide clear direction for requests to increase density (See [City Growth, Structure and Form](#) for more detailed policy considerations for managing growth.)
- **Clarify and simplify urban design policies** in accordance with the City's Urban Design Manual (under development), particularly with respect to guidance for transit-oriented, compact development, such as human scale designs for tall buildings and transitions between areas of different maximum building heights
- **Review and confirm appropriate measurement of residential density** keeping in mind impacts on ease of implementation, family sized units and affordability.
- **Define and support the development of a full range of housing forms on the housing continuum**, from emergency shelters and transitional housing to primary rental buildings and ownership housing, as well as more inclusive housing forms such as including accessible, adaptable and visitable housing
- **Strengthen the planning and regulatory incentives to encourage the creation of new affordable housing, including:**
  - Broadening the criteria for creating second units within dwellings to encourage gentle intensification and conform to recent changes to the Planning Act
  - Establishing an Inclusionary Zoning policy framework to support the development of affordable housing within Major Transit Station Areas
  - Considering reduced parking requirements for affordable housing developments

- **Strengthen policy framework to limit demolition and conversion of affordable housing, including:**
  - condominium conversions of affordable rental housing
  - enabling demolition control policies to require retention or replacement of affordable housing
  
- **Support existing and emerging complete communities by:**
  - Continuing to require new residential areas to be designed at transit-supportive densities to support existing and future public transportation routes
  - Building on the work established in Major Transit Station Areas, further a framework to enable transit-supportive parking rates, including parking maximums, in other designated growth areas in order to increase the potential housing unit yields, support existing and future transit and active transportation infrastructure, and to enable a broader range of unit prices/rents
  - Considering how day cares and school services are accommodated in intensification areas
  - Reviewing the mixed-use residential land use designations to ensure the designations are sufficiently flexible to respond to changes in the office and commercial markets market and are achieving the desired mix of uses.