

# Growing population in Toronto and Hamilton need housing's 'missing middle,' report says

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The Greater Toronto and Hamilton Region could be short 165,600 homes by 2041 if it doesn't rightsize its housing supply to give families more space and build places that will induce seniors to downsize. Failure to do so could skew the population to an older demographic and impede its prosperity by discouraging younger, skilled workers, says a new study.

The study means the area could potentially be short as many homes as the current number of existing households in Brampton; about two and half as many as Oakville, and enough housing to accommodate about three years' worth of the population growth that is forecast by Ontario's anti-sprawl [Places to Grow](#) smart growth plan.

The city needs more "missing middle" housing, such as the lowrise homes on Western Battery Rd. in Toronto's Liberty Village, to appropriately fit the city's population, according to a new study. Failure to do so could discourage younger, skilled workers from living here. (Andrew Francis Wallace / Toronto Star)

The risk of not reaching the 7,200 homes a year the growth plan suggests are needed would equate to a \$1.95-billion loss in GDP connected to housing construction, says the Canadian Centre for Economic Analysis (CANCEA).

Only 15 per cent of the region's homes are the lowrise apartments and townhomes, a housing category known as the "[missing middle](#)," that provide affordable alternatives to the polarized mix of highrises and single-detached houses that dominate Toronto's housing mix, says the study prepared by CANCEA for the **Residential and Civil Construction Alliance of Ontario (RCCAO)**.

**"Despite Places to Grow, there has been very little shift to a provision of medium-density housing," said RCCAO executive director Andy Manahan.**

Although some municipalities such as Mississauga are moving to higher density homes with condos, some types of housing are still not being built. He said developers say it is easier to build on greenfields than already built areas.

“They’ll say they typically have to put in as much or more effort to do a smaller scale midrise project as they do a high condo and the rate of return in terms of doing medium density is probably not worth it,” Manahan said.

CANCEA president Paul Smetanin says the implications of the shortfall are more complex than simply matching the number of homes to the growing population. It’s about creating housing that is desirable to the population the region is trying to attract.

“The first part of the problem is that new immigrants can’t penetrate into the system as much as we’d like to help with economic prosperity,” Smetanin said. But the housing pressure also weights the population toward older residents.

“A lot of the future population is already here. They’ve got a house. They’ve got their empty bedrooms and, because they don’t have any place to go because it’s not being built, they’ll stay in place longer. They were first in and the problem is, they’ll be last out,” he said.

The study is intended to benchmark the region’s housing stock as the province transitions to a Local Planning Appeal Tribunal (LPAT) from the old Ontario Municipal Board (OMB) to resolve disputes between developers and municipalities. The idea is to understand how that affects the development process but it will likely be “a minimum of three years” before the impact is discernible, Manahan said.

## **How about you?**

What kind of housing do you live in right now?

- High-density housing, such as a high-rise apartment building.
- Medium-density housing, like a townhouse or a duplex.
- Low-density housing, ie. a detached home on a residential street.
- I'm not sure / none of the above.

CANCEA found more than two million empty bedrooms across the region. In most areas, “higher density dwellings have an average of more than one person per bedroom, whereas in low-density dwellings at least 20 per cent of bedrooms are unused,” says the report. The number of excess bedrooms is likely higher because, in many cases, couples would be sharing a single room.

In Toronto, rightsizing the housing mix could create 200,000 more homes, Smetanin said. That’s the equivalent of about 10 years of housing stock. The city is building 5 to 15 per cent more homes than its growth plan targets suggest are needed, but that housing is skewed to highrises.

Among the regions around Toronto, only York is constructing enough homes for its projected growth. If it doesn’t change the mix of housing, it will run up against a land shortage before 2041, says the report.

In Peel Region, Mississauga has the densest housing mix and Brampton one of the lowest. But Brampton will likely catch up, said consultant and former Mississauga chief planner Ed Sajecki.

When it ran out of greenfield land, Mississauga reinvented itself, tying new development to rapid transit, he said. The planned Hurontario LRT stitches together several major east-west transit routes, including the GO service at Port Credit and Cooksville, a proposed dedicated bus lane on Dundas St. and the Mississauga Transitway along Highway 403.

Although mid-density development is still missing there, that will be an emphasis going forward to housing middle income nurses, teachers and firefighters, who are increasingly facing affordability challenges, Sajecki said.

Without it, he said, “We’re either encouraging people to commute from very long distances or you’re just not going to have that labour supply.”