

Growing Hamilton medium density housing stock is what GTHA needs — report says

Housing starts for lowrise multi-residential and town homes have jumped over the past decade in the city and that's what first-timers and downsizers want these days.

News 07:00 AM by Mark McNeil The Hamilton Spectator



A study has found that only 15 per cent of people in the Greater Toronto and Hamilton area live in middle-density homes, a housing category that includes lowrise apartments and townhomes. - Chris So, File photo

A new study says Hamilton is in the best position in the Greater Toronto and Hamilton Area to provide medium-density housing in the future, a style of home that is the fastest growing in demand.

It's called the "missing middle" — lowrise multi-residential buildings and townhouses that fall between low-density single-detached homes and high-density highrise buildings.

It's the kind of home that young families like to start with and downsizers like to end up in. And it's also something of great interest to [condo owners in Toronto who want to spread out a bit and are willing to move to Hamilton](#).

"Hamilton has made the most progress on the 'missing middle,'" says Paul Smetanin of Canadian Centre for Economic Analysis (CANCEA). "Toronto, Mississauga, Markham, Newmarket less so, while Brampton is biased toward lower-density starts."

A new study prepared by CANCEA for the **Residential and Civil Construction Alliance of Ontario (RCCAO)** found that GTHA could be short 165,600 homes by 2041 if it doesn't adjust its housing supply to give families more space and build places that will induce seniors to downsize.

The study said Hamilton's medium-density stock was on par with the rest of the region, at 15 per cent.

But things are changing, Smetanin says. When it came to housing starts over the past decade, the city had the highest amount of medium-density construction. It had 34 per cent, with 10 per cent high density, and 56 per cent low density.

That trend will likely kick into an even higher gear over the next several years with the planned LRT construction and Pier 8 development, he said.

City of Hamilton planning chief Steve Robichaud said, "We have pre-zoned the LRT corridor to permit midrise housing. Parts of the downtown have also been zoned to permit midrise housing. This zoning framework has also been put in place in some of the commercial areas.

"When you look at what the city has put in place for Pier 8, that is the scale and type of housing that fits into the 'missing middle' discussion."

Smetanin says: "I think the direction Hamilton is moving should be applauded. I'm a supporter of what Hamilton is doing and the direction it is moving in."

Conrad Zurini, broker of record for Re/Max Escarpment Realty, says the big driver in Hamilton has been skyrocketing land prices that is pushing people into medium-density options.

Many homebuyers [can no longer afford low-density houses](#), so they are scaling down their desires into medium-density options.

"[Affordability](#) is driving the market right now," he said. Real estate sales have plummeted [this year by 17 per cent](#), with a lot of first-time buyers giving up amid new government rules about mortgage eligibility and rising interest rates.

He noted that the city currently has only a two-and-a-half month supply inventory of listed houses. "[But in the lower-priced homes — the \\$290,000 to \\$475,000 range](#) — there is only a one-month supply. And that puts a lot of pressure on that part of the market."

One issue — when it comes to bolstering housing stocks — is creating options for seniors who want to downsize out of their low-density houses into townhomes or lowrise units. If those housing options aren't available, the seniors will stay put, clogging turnover in the market.

"One of the things that medium density provides is an opportunity for older households in their single-detached or semis to move into more compact housing that is desirable to them," said Smetanin. "Many seniors don't want to move into high-density buildings."