



Greater Golden Horseshoe (GGH) Residential Land Adequacy Report Series

City of Hamilton, 2006-2015

Report No. 2

March 9, 2017

**Ryerson
University**

**Centre for Urban Research
& Land Development**
Faculty of Community Services

Greater Golden Horseshoe (GGH) Residential Land Adequacy Report Series

Report prepared by:

Frank A. Clayton, Ph.D.
Senior Research Fellow
Centre for Urban Research and Land Development, Ryerson University

and

Nicola Sharp
Researcher
Centre for Urban Research and Land Development, Ryerson University

March 9, 2017

Mailing Address

Centre for Urban Research and Land Development
Ryerson University
Faculty of Community Services
350 Victoria Street
Toronto, ON M5B 2K3

Campus Location

111 Gerrard Street East
3rd floor, GER 204 D
Toronto, Ontario

General Enquiries

416-978-5000 ext. 3348
cur@ryerson.ca
www.ryerson.ca/cur

The opinions expressed in this research report are those of the authors only and do not represent opinions and views of either CUR or Ryerson University.

TABLE OF CONTENTS

1. Hamilton Highlights.....	3
2. Years' Supply of Short-Term Land.....	4
2.1 Ground-Related Housing and Apartments.....	4
2.2 Singles/Semis and Townhouses	5
3. Annual Housing Starts and Short-Term Land Supply	6
3.1 Ground-Related Housing.....	6
3.2 Singles/Semis	7
3.3 Townhouses	8
3.4 Apartment	9

APPENDIX

Appendix A: Technical Notes and Background Data.....	10
--	----

LIST OF FIGURES AND TABLES

Figure 1: Years' Supply of Short-Term Land by Type of Housing Unit, City of Hamilton, 2006 - 2015.....	4
Figure 2: Years' Supply of Short-Term Land for Singles/Semis and Townhouses, City of Hamilton, 2006 - 2015	5
Figure 3: Ground-Related Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016	6
Figure 4: Single/ Semi Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016	7
Figure 5: Townhouse Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016	8
Figure 6: Apartment Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016	9

Appendix Table 1: Short-Term Land Supply by Type of Housing Unit11

Appendix Table 2: Housing Starts by Type of Unit 12

Appendix Table 3: Forecast of Average Annual Housing Demand for the City of Hamilton in two
Hemson Reports 13

Appendix Table 4: Years' Supply of Short-Term Land by Type of Unit, December 31, 2016 13

1. HAMILTON HIGHLIGHTS

Hamilton is meeting the *Provincial Policy Statement* (2014) requirement (Policy 1.4.1b) that requires municipalities to maintain at all times at least a minimum three year supply of residential land for a mix of housing types (which means at least four years assuming annual monitoring). The summary below shows the land supply adequacy by housing type for Hamilton as of December 31st, 2015.

Adequacy of Short-Term Residential Land Supply as of December 31, 2015.

Type of Unit	Rating of Adequacy ¹	Years' Supply
Singles/Semis	Minimum	4.0 years
Townhouses	Adequate	5.8 years
All Ground-Related	Adequate	4.7 years
Apartment	Adequate	5.9 years

Sources: CUR based on data in Figures 1 and 2.

With the exception of singles/semis units, Hamilton had an adequate short-term supply of residential land.² The supply of short-term land for singles/semis was at the cusp of being rated as “poor.”

Over the past five years, there has been a downward shift in the years' supply of land for ground-related housing from the preceding five years. It appears this lesser land supply has caused a reduction in the quantity of singles/semis starts in Hamilton which has been countered by higher townhouse starts in 2016.

¹ The rating of adequacy categories are:
Ample – More than a 6.0 years' supply
Adequate – 4.6 to 6.0 years' supply
Minimum – 4.0 to 4.5 years' supply
Poor – less than a 4.0 years' supply

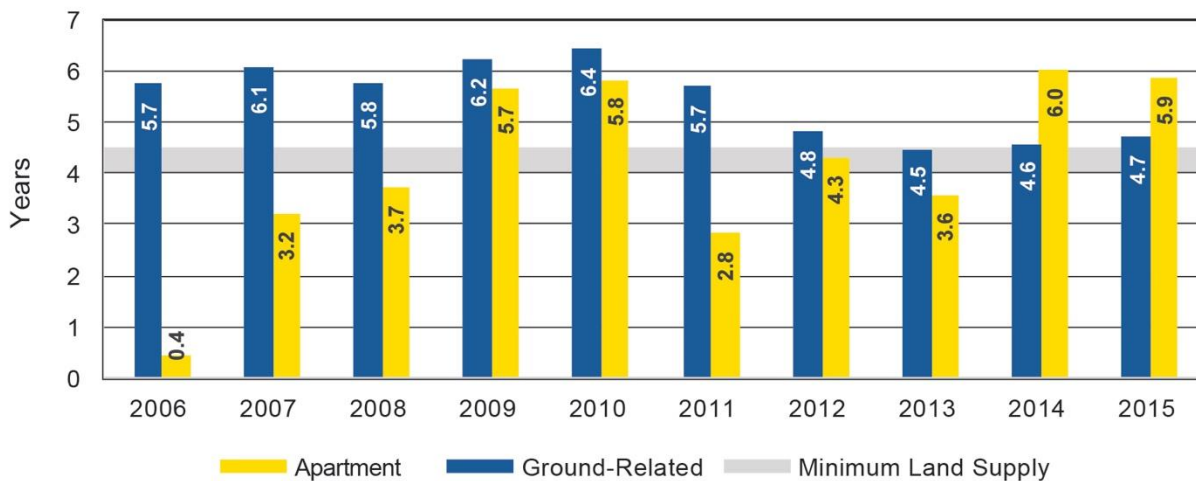
² The short-term supply of apartment sites is understated since Hamilton has many sites zoned for apartments lacking landowner interest for development. If potential development (zoned or designated) sites were included the 2015 the years' supply would be 8.4 years, which is above the rating of ample.

2. YEARS' SUPPLY OF SHORT-TERM LAND

2.1 Ground-Related Housing and Apartments

The years' supply of ground-related housing has been flat for the last five (2011 to 2015) years at an average 4.8 years, down from an average of 6.0 years between 2006 and 2010. The supply of land for apartments fluctuated a lot more, sitting below the minimum in five of the last 10 years. The last two years have seen a much higher supply. The apartment average supply from 2011 - 2015 was 4.5 years and between 2006 to 2010 is was 3.8 years (but, as noted, the apartment land inventory is understated).

Figure 1.
Years' Supply of Short-Term Land by Type of Housing Unit, City of Hamilton, 2006 - 2015



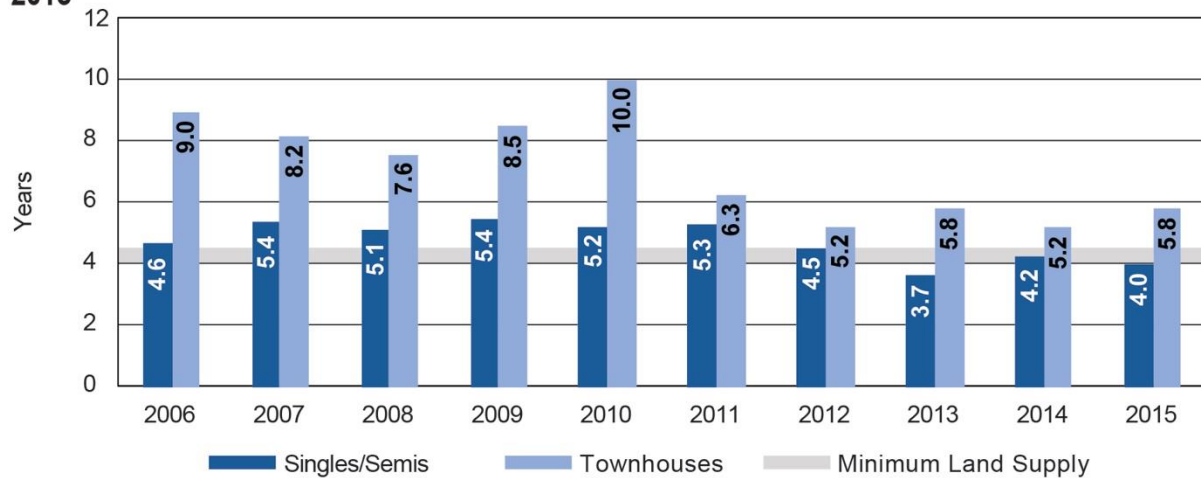
Source: CUR based on data in Appendix Table 4.

2.2 Singles/Semis and Townhouses

Townhouse land availability has kept the ground-related land supply above the minimum requirement in recent years, though recent years have seen a drop for all ground-related housing types.

The townhouse average annual supply from 2006 to 2010 was 8.6 years and it was 5.2 for singles/semis. Between 2011 and 2015, the singles/semis average was 4.4 years and the townhouse average was 5.7 years.

Figure 2.
Years' Supply of Short-Term Land for Singles/Semis and Townhouses, City of Hamilton, 2006 - 2015



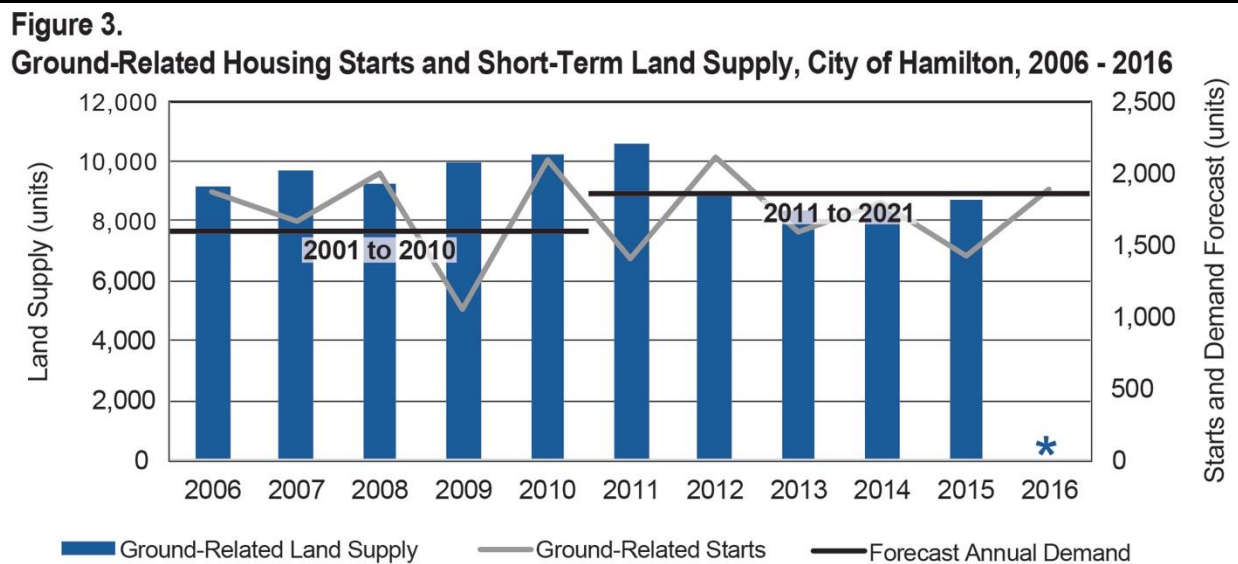
Source: CUR based on data in Appendix Table 4.

3. ANNUAL HOUSING STARTS AND SHORT-TERM LAND SUPPLY

3.1 Ground-Related Housing

There has been little sign that the reduced years' supply of land over the latest four years has constrained starts of ground-related housing as the land inventory has continually been replenished, though at a lower rate than previously.

On average, starts have been close to the demand forecast by Hemson Consulting over the 2006-2015 period.

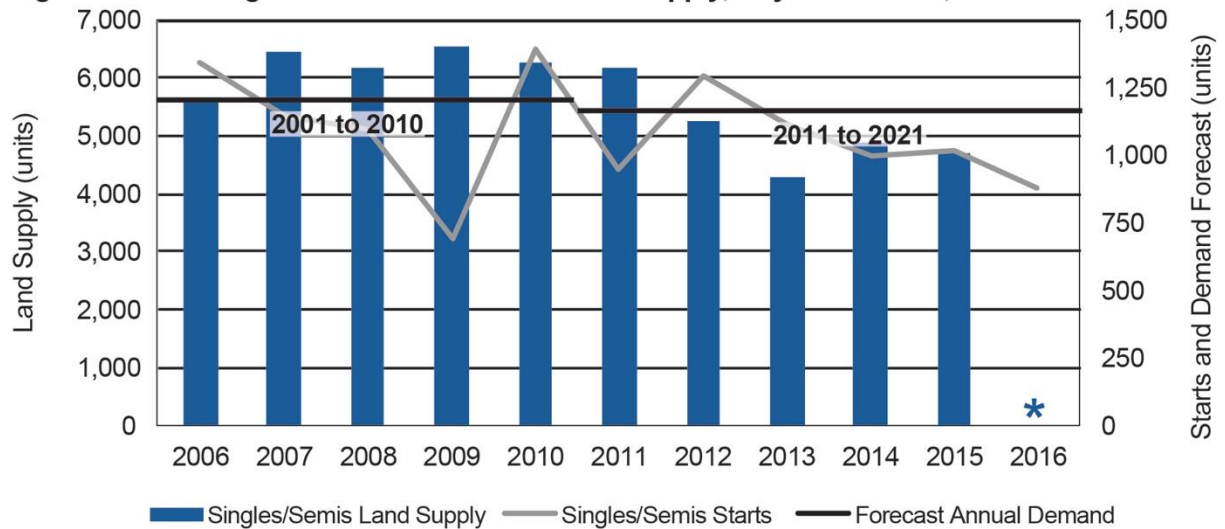


* Land supply data are not available for 2016 as of January 2017.
Source: CUR based on data in Appendix Tables 1,2 and 3

3.2 Singles/Semis

The starts of singles/semis have decreased recently compared to the previous five years. The starts in the recent three years have moved below the demand forecast by Hemson Consulting. This suggests the starts of singles/semis houses have been held back by the more constrained land supply for these unit types in recent years.

Figure 4.
Single/Semi Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016



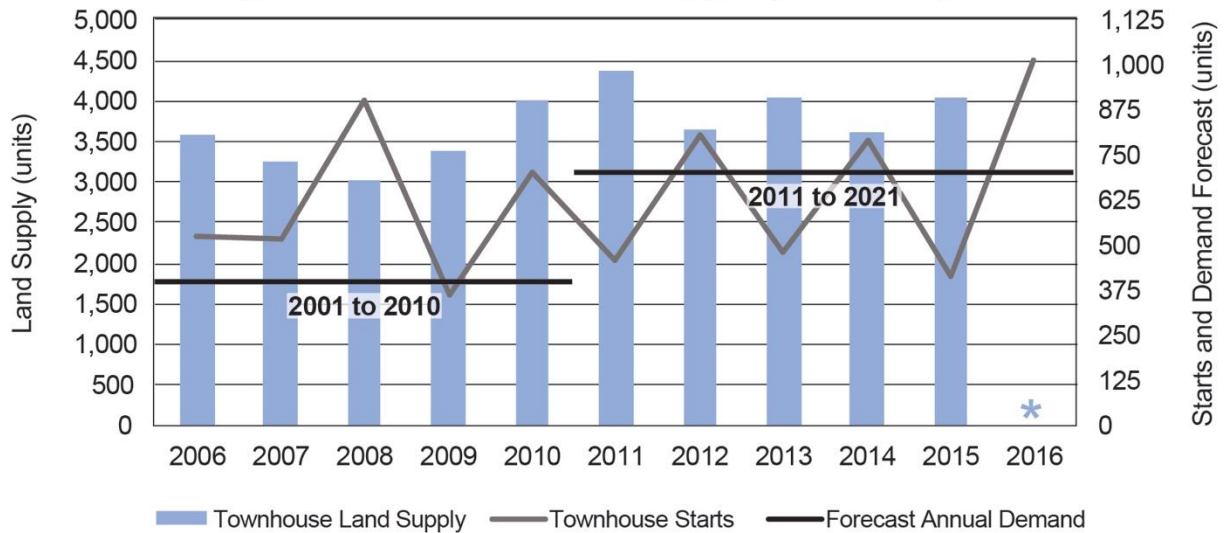
* Land supply data are not available for 2016 as of January 2017.
 Source: CUR based on data in Appendix Tables 1, 2 and 3.

3.3 Townhouses

The supply of land for townhouses has been fairly consistent. Starts have seen some fluctuation, tending to exceed and then fall below Hemson Consulting's forecast every other year.

Townhouse starts, in contrast with singles/semis, shot up to a 10-year high in 2016. The short-term supply of land for townhouses was larger than the supply of singles/semis at the end of 2015.

Figure 5.
Townhouse Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016

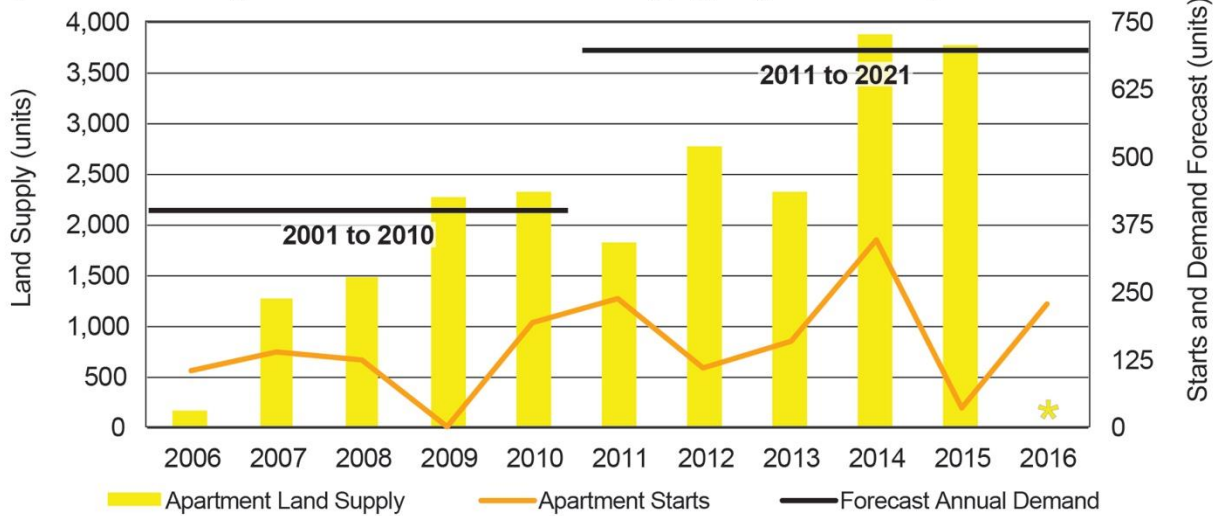


* Land supply data are not available for 2016 as of January 2017.
Source: CUR based on data in Appendix Tables 1, 2 and 3.

3.4 Apartment

Apartment land supply has not constrained apartment starts. Land supply has been rising and, while starts have fluctuated significantly, the starts for all years has been well below Hemson Consulting's demand forecast.

Figure 6.
Apartment Housing Starts and Short-Term Land Supply, City of Hamilton, 2006 - 2016



* Supply data are not available for 2016 as of January 2017.
 Source: CUR based on data in Appendix Tables 1, 2 and 3.

APPENDIX: TECHNICAL NOTES AND BACKGROUND DATA

Year's Supply of Short-Term Land

Hamilton's years' supply was calculated by dividing the annual short-term supply (see Appendix Table 1) reported in the City of Hamilton's *Vacant Urban Residential Land Inventory* by Hemson Consulting's demand forecast (see Appendix Table 3). Appendix Table 3 contains the data used to produce Figures 1 and 2.

Annual Housing Starts and Short-Term Land Supply

Figures 3 to 6 compare the trends in the short-term land supply and housing starts and demand forecast. Land supply is from the City of Hamilton's *Vacant Urban Residential Land Inventory* (see Appendix Table 1). Hamilton's vacant land inventory reports the supply of land for residential units on infill land and on greenfield land by development status. These status categories are³:

- *Registered: building permits can be issued;*
- *Draft Approved: subject to clearance of conditions;*
- *Pending: subdivision application submitted but no approval received; and*
- *Potential Development: based on secondary and neighbourhood plans, zoning, or other development applications.*

For this analysis, the City of Hamilton's *Vacant Urban Residential Land Inventory* is assumed to be an accurate representation of land supply.

The PPS short-term supply policy (1.4.1) is for "lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans." As such, the categories used for infill land units in this report were registered, draft approved and pending.

Potential development was not included in the total for infill because, in addition to zoned lands, it includes apartment land in secondary/neighbourhood plans and other development applications. Greenfield supply units included those which were registered and draft approved. Pending and potential development were not included.

Housing starts are from the Canada Mortgage and Housing Corporation and the data are found in Appendix Table 2. Hemson Consulting's demand forecasts are included in Appendix Table 3.

³ Status and definitions are from the City of Hamilton's *Vacant Urban Residential Land Inventory*, 2006 to 2015.

**Appendix Table 1:
Short-Term Land Supply by Type of Housing Unit**

Year	Singles/ Semis	Townhouse	Ground- Related*	Apartment	Total
			Units		
2006	5,578	3,581	9,159	173	9,332
2007	6,450	3,260	9,710	1,280	10,990
2008	6,172	3,034	9,206	1,486	10,692
2009	6,537	3,389	9,926	2,265	12,191
2010	6,257	3,993	10,250	2,330	12,580
2011	6,179	4,365	10,544	1,812	12,356
2012	5,249	3,648	8,897	2,777	11,674
2013	4,262	4,044	8,306	2,309	10,615
2014	4,882	3,613	8,495	3,872	12,367
2015	4,675	4,049	8,724	3,777	12,501

*Ground-related housing includes singles/semis and townhouses.

Source: City of Hamilton. *Vacant Urban Residential Land Inventory*. 2006 to 2015.

**Appendix Table 2:
Housing Starts by Type of Unit**

Year	Singles/ Semis	Townhouse	Ground- Related*	Apartment	Total
			Units		
2006	1,345	524	1,869	104	1,973
2007	1,143	518	1,661	139	1,800
2008	1,098	899	1,997	124	2,121
2009	689	364	1,053	0	1,053
2010	1,388	699	2,087	195	2,282
2011	950	456	1,406	239	1,645
2012	1,296	805	2,101	108	2,209
2013	1,113	476	1,589	157	1,746
2014	998	791	1,789	347	2,136
2015	1,013	413	1,426	36	1,462
2016	881	1,010	1,891	228	2,119
Average (2006 - 2010)	1,133	601	1,733	112	1,846
Average (2011- 2015)	1,074	588	1,662	177	1,840

*Ground-related housing includes singles/semis and townhouses.

Source: CMHC. Starts and Completions Survey. 2006 to 2016.

**Appendix Table 3:
Forecast of Average Annual Housing Demand for the City of Hamilton in two Hemson Reports**

Periods	Singles	Semis	Rows	Apartments	Total	Singles/ Semis	Ground- Related*
2005							
2001 to 2011	12,000	0	4,000	4,000	20,000	12,000	16,000
2011 to 2021	11,000	4,000	6,000	9,000	30,000	15,000	21,000
2021 to 2031	10,000	3,000	7,000	10,000	30,000	13,000	20,000
2013							
2001 to 2011	5,560	720	5,560	3,820	15,660	6,280	11,840
2011 to 2021	10,440	1,160	6,980	6,450	25,030	11,600	18,580
2021 to 2031	13,900	1,760	7,230	10,720	33,610	15,660	22,890
2031 to 2041	13,510	1,640	7,430	13,380	35,960	15,150	22,580

*Ground-related housing includes singles/semis and townhouses.

Source: Hemson Consulting, Ltd., *Greater Golden Horseshoe Growth Forecasts to 2041, Technical Report Addendum*, June 2013 and Hemson Consulting, Ltd., *The Growth Outlook for the Greater Golden Horseshoe*, January 2005.

**Appendix Table 4:
Years' Supply of Short-Term Land by Type of Unit in the City of Hamilton, December 31, 2016**

Year	Singles/ Semis	Townhouse	Ground- Related*	Apartment	Total
Years					
2006	4.6	9.0	5.7	0.4	4.7
2007	5.4	8.2	6.1	3.2	5.5
2008	5.1	7.6	5.8	3.7	5.3
2009	5.4	8.5	6.2	5.7	6.1
2010	5.2	10.0	6.4	5.8	6.3
2011	5.3	6.3	5.7	2.8	4.3
2012	4.5	5.2	4.8	4.3	4.7
2013	3.7	5.8	4.5	3.6	4.2
2014	4.2	5.2	4.6	6.0	4.9
2015	4.0	5.8	4.7	5.9	5.0

*Ground-related housing includes singles/semis and townhouses.

Sources: Appendix tables 2, 3 and 4.