

Mississippi Shores Apartments



Town of Carleton Place

Housing Market Needs Assessment

Prepared by Julie Stewart, RPP, MCIP & Erin O'Connor, RPP, MCIP

1.0 APPLICATION BACKGROUND

Cavanagh Developments proposes to develop the subject property, referred to as the Mississippi Shores Apartments, located within Block 207/208, located in the Mississippi Shores registered plan of subdivision, 27M-101 in Carlton Place. The proposal includes an 84-unit rental community which will be owned and managed by Cavanagh Realty.

The Mississippi Shores Subdivision is an approved residential subdivision offering a mix of single-detached, semi-detached, and attached dwellings in the form of townhouses. The subdivision's approvals included design and capacity to support the development of Block 207/208 as apartments. The subdivision was registered in July, 2022 and is being constructed in five phases. Construction of Phase 1 is now complete, and the majority of homes are now occupied. Phase 2 is currently underway. At the completion of this community, there will be a total of 561 homes including 84 rental units.

If approved, Cavanagh would like to start construction of the Mississippi Shores Apartments in the winter of 2024/2025 with the intent to bring rental housing to the market for the summer of 2025. Cavanagh is seeking financing through the Canadian Mortgage Housing Corporation (CMHC) funding program geared to affordable, sustainable, and accessible housing.

1.1 Original Proposal Details

At the time of the subdivision approval, a concept plan was prepared for Block 207/208 which contemplated a total of 72 apartment units, contained within 4 – three storey buildings. A Class 2 Development Permit (DP) application was submitted based on that concept in July of 2023, and proposed the following:

CLASS 2 Development Permit Application

4 – three storey buildings x 18 units

Total of 72 units

Unit Mix per Floor = 4 - two bedrooms
 2 - one bedrooms
 6 units = TOTAL per Floor

Total Unit Mix per Building = 12 - two bedrooms and 6 - one bedrooms

Parking provided – 108 space (1.5 parking ratio)

Since subdivision approvals in 2022 and the submission of the Class 2 DP application in 2023, changes in market forces and the affordability crisis has triggered a re-evaluation as to the unit mix and market needs for rentals within Carleton Place, and re-think of Cavanagh Realty's long-term objectives to build strong vibrant communities.

In the fall of 2023, the Class 2 DP application was put on hold.

1.2 Revised Proposal Details

Cavanagh Developments is proposing to revise Mississippi Shores Apartments (Block 207/208) development application to address the changing needs of the market and offer more affordable options. The proposed revised plan maintains the general site layout as the original application with

the same building envelope and footprint of the four apartment buildings and parking layout, while altering the number and mix of units and their layouts, resulting in an increase of 12 additional units, for a total of 84 units. In addition, 20 of these units will be designed as accessible.

Though consultation with Town Staff, it is understood that the proposed revisions trigger a Class 3 Development Permit (DP) Application. This report, as well as, supporting documentation is provided in support of this Class 3 Development Permit (DP) application. The Class 3 DP application proposes the following:

CLASS 3 Development Permit Application

4 – three storey buildings x 21 units

For total of 84 rental units

Unit Mix per Floor =

- 1 – two bedrooms with den
- 2 – two bedrooms
- 3 – one bedroom
- 1 - studio/bachelor suite
- 7 units = TOTAL per Floor

Typical 21 Unit Apartment Building

	Total Units	Required Barrier Free Units	
Studio	3	1	BF
1 Bedroom	9	2	BF
2 Bedroom	6	2	BF
2 Bedroom + Den	3		
Total Units per Building	21 units	(5 barrier free)	

Total of 4 Buildings x 21 **84 units** (Inclusive of 20 BF units)

Unit Types		Area (SF)
Type A	2 Bedroom + Den	1,040
Type B	1 Bedroom	665
Type C	1 Bedroom	560
Type D	2 Bedroom	955
Type E	2 Bedroom	956
Type F	1 Bedroom	677
Type G	Studio	440

The bachelor/studio units comprise 14% of the total proposed 84 units. These units will be rented at a rate to be deemed by the Canadian Mortgage and Housing Corporation (CMHC) as affordable. In addition, there will be 20 barrier free accessible units available of the 84 total units.

The development includes two exterior Electric Vehicle (EV) charging stations within the parking lot as well as provision for two additional exterior roughed in locations for future demand. Each parking garage will include an EV rough-in for two parking spaces to be installed in the future as demand increases.

In consideration of energy alternative efficiencies, all residential units will be fitted with individual heat-pump system, LED lighting throughout and low flow toilets to meet the sustainability requirements of CMHC financing.

1.3 Parking Requirements

Typically, a development such as this is required to provide 1.25 parking spaces for every unit, plus 0.25 spaces per unit allocated for visitors. Based on this, the parking requirement to serve 84 units is 126 parking spaces. (84 units x 1.5 spaces)

Block 207/208 site plan maintains the building footprints, provides two areas for waste collection, establishes protection of an environmental area, and is challenged by engineering grades. As a result of this, the size of the parking and drive isles within the site plan are constrained. The site plan preserves the general size and layout of the original proposal in the Class 2 DP with the addition of two parking spaces. This results in an increase in parking from 108 to 110.

As a result, we are seeking a reduction in the parking requirement through the Class 3 Development Permit from 1.5 parking spaces per unit to 1.31 parking spaces per unit.

Parking requirements: 84 units x 1.31 parking ratio = 110 spaces

The Town of Carleton Place's Official Plan, Section 6.8, states under Council's approval, may enter into an agreement to exempt an owner or occupant from the need to provide and maintain parking facilities as required under the Development Permit By-law. Such agreement shall provide for the making of one or more payments of money to the municipality as consideration for the granting of the exemption and shall set forth the basis upon which such payment is calculated.

Cavanagh Developments, under the Class 3 Development Permit, commits to pay cash-in-lieu (CIL) of parking at the rate established in the Fee and Charges By-law 69-2022 as a condition of approval.

Cash-in-lieu of Parking: 126 required spaces – 110 provided spaces = 16 spaces CIL

16 spaces x \$3,500/space = \$56,000 Total Cash in lieu Contribution

2.0 HOUSING NEEDS ASSESSMENT – POLICY CONTEXT

All levels of government; Federal, Provincial and Municipal; have declared a housing and affordability crisis. This section highlights the various policies and reports issued by those levels of government that speak to the need for more housing of all forms, including rental units with affordable and accessible options.

2.1 Ontario Provincial Policy Statement (PPS, 2020)

The Provincial Policy Statement, 2020, provides policies to promote healthy, liveable and safe communities by accommodating affordable and market-based range and mix of residential types, including multi-unit housing, affordable housing and housing for older persons.

The units within Mississippi Shores Apartments will provide more choices for families, singles and the elderly by offering a range unit sizes and rental rates.

2.2 Province’s Housing Affordability Task Force Report 2022

The “missing middle” is often cited as an important part of the housing solution. The report defines the “missing middle” “as mid-rise condo or rental housing, smaller houses on subdivision lots or in laneways and other additional units in existing houses. “

The proposed apartment building will be 100% rental housing. The building will use the existing public services in place for the proposed development. Stantec has reviewed the servicing and has noted that there will be no impact on the services for the 12 additional units. There is sufficient capacity available to support the Mississippi Shores Apartments.

2.3 Blueprint for More and Better Housing, Task Force for Housing & Climate, March 2024

The Task Force for Housing & Climate addressed the Prime Minister, Premiers, Cabinet Ministers and Councillors across Canada on the need for 5.8 million new homes by 2030 to restore housing affordability. More than one third of the existing housing supply over again. They acknowledge the historic opportunity to build more and better housing for a fast-growing population of homeowners, renters, seniors, young families, students and precariously housed.

The report has a number of recommendations to the Federal, Provincial and Municipal Government.

One of the relevant Municipal Government Recommended Actions is as follows:

- Abolish unit maximums on all forms of residential housing and abolish parking minimums on residential, commercial, and industrial properties, and limit exclusionary zoning in municipalities through binding provincial action

The report also encourages municipalities to implement zoning that is “as of right” residential housing and to create more permissive land use, planning and approval systems to eliminate red tape.

By abolishing or reducing parking minimums, this reduces overall costs by reducing the amount of land area needed for parking, providing less costs to the units by not requiring additional fees for parking spaces and supports the reduction in vehicle dependency.

2.4 The National Housing Accord – A Multi-Sector Approach to Ending Canada’s Rental Housing Crisis

This report identifies the urgent need for healthy rental housing in the form of all kinds; market-rate, affordable, co-operative, non-profit, supportive, and otherwise, to house our growing population today and in the years to come.

A lack of purpose-built rentals is contributing to Canada's rental affordability crisis. The report did acknowledge purpose built-rental unit completion over the 5-year period by about 130,000 new units, it has not kept up with population growth. That same 5-year period saw the growth in the young adult population up nearly 600,000 persons.

Increasing rents inflict the most significant harm on the lowest-income Canadians, including seniors, people on fixed incomes, single-parent led households, students, newcomers to Canada, and Indigenous peoples.

2.5 Working Together to Build 1.5 Million Homes Report- PLACE Centre – August 2023

This report builds on the Province's need to build 1.5 million new homes in the next 10 years. They call upon all levels of government, along with the higher education sector, developers and builders, trade unions, not-for-profit groups, and the financial services industry for the answer.

2.6 Lanark County Sustainable Communities Official Plan (SCOP)

Section 8.2.9 of the SCOP provides policies to enable local Councils to provide affordable housing by enabling a full range of housing types and densities. The policies encourage infill and housing intensification particularly in the urban core areas.

Mississippi Shore Subdivision is within the Settlement Area of Carleton Place which is considered as an urban area with municipal services, access to hospitals, shopping, and parks conveniently located nearby. The Mississippi Shores Apartments offer a wider variety of housing choices to the existing neighbourhood by offering a range of rentals for those who may not be able to or choose not to purchase a home.

2.7 Lanark County and the Town of Smiths Falls Municipal Tools to Support Affordable Housing

The report entitled, Lanark County and the Town of Smiths Falls Municipal Tools to Support Affordable Housing, Final Report, updated with new 2021 Census Data – May 2023, was initiated by the County of Lanark, the original report contained the 2016 census data. Upon the request of Lanark County Council, the report was updated to include the 2021 census data, therefore the final version is dated May 2023.

The preparation of the report involved key stakeholders and municipal staff. The study examined Lanark County as a whole and examined each municipality individually. The report provides key findings of each member municipality and the Town of Smiths Falls. The report highlighted the specific issues facing each municipality. This report is current and provides local economic conditions pertaining to housing metrics as noted within the Town of Carleton Place's Terms of Reference.

The study noted that the Town of Carleton Place has a high population growth and the highest growth rate for dwellings within the County, indicating that Carleton Place will need to accommodate population growth with a range of housing options that are appropriate for current and future demographics. The study also recognized the need for high rise apartments to accommodate some of the projected growth. The amended Mississippi Shores Apartments development proposal provides rental apartments with a range of unit sizes.

The report notes the most common household type in Carleton Place is couples without children, which is attributed to the need of smaller households. The proposed rental apartments provide an alternative housing option for couples and for an aging population.

A major key housing gap noted within the Lanark County study is “the proportion of renters facing affordability issues in Carleton Place indicates a need for rental housing options in a range of affordability levels.”

The study included the following key points renters are facing related to affordability:

- “rental housing is becoming more in demand and is becoming increasingly unaffordable for most residents in Carleton Place.”
- “renter households increased by more than 29.5% from 2016 to 2021”
- “growth in renter households in Carleton Place was the greatest in Lanark County in this time frame (2016-2020), indicating there is a need for focused development of rental units to address this growing demand.”
- “93.9 % of survey respondents from Carleton Place did not believe there was sufficient rental housing options.”
- “88.3% of survey respondents believed main issue related to options was unaffordability
- “46% of renters spent 30% or more of their income on housing in 2021.”
- “CMHC Primary Rental Survey shows a rapidly increasing rent price in Carleton Place.”
- “Point in time scan – October 2022 – average one-bedroom unit was approximately \$1,800 per month.”
- “need for rental housing will likely keep increasing at a much faster rate to keep up with the projected population increase and the increasing housing prices.”

The point in time scan indicates a lack of affordable options for low-income and moderate incomes in Carleton Place. The proposed increase in rental units and greater range of unit mix in the Mississippi Shores Apartments (Block 207/208) will offer more affordable units and will increase the supply of rental housing in Carleton Place.

The Lanark County study developed three main housing goals based on the key housing gaps, the Lanark County Housing and Homelessness Plan and the draft housing vision, these are included below with our opinion on how the proposed development addresses these goals indicated in italics:

- Goal 1 – to encourage a broad range of housing options which meet the needs of current and future Lanark County residents.

The rental apartments in Mississippi Shores will provide a housing option and a range of unit sizes to accommodate different incomes.

- Goal 2 – to increase the supply of market-rate and affordable rental housing across all communities in Lanark County.

The rental apartments in Mississippi Shores will increase the supply of market-rate and affordable rental housing units by reducing rent and provide affordable options.

- Goal 3 – to support economic growth and community wellbeing through adequate supply of housing which is affordable to households with moderate incomes.

The rental apartments in Mississippi Shores will provide an affordable option to households with moderate incomes which in turn will support economic growth and community wellbeing. Housing provides a solid base for individuals and families emotional and physical wellbeing.

2.8 Town of Carleton Place Official Plan

The Town of Carleton Place Official Plan states that “Council will strive to meet a target of 25% of all new housing to be affordable housing by enabling a full range of housing types and densities to meet projected demographic and market requirements of current and future residents of the Town “

Section 6.21.1 (2) encourages infill and housing intensification. Through the conversion of singles unit so multiple, through provisions of secondary suites, through re-development at higher densities. The apartment building is a new building, however the increase in the number of units is accommodating housing intensification within the building by decreasing the size of units to create smaller more affordable units.

The OP defines affordable housing as housing which is valued at 10% below the average resale price of the unit.

3.0 CARLETON PLACE NEEDS ASSESSMENT

In this section we look at housing availability, population projections and future housing needs of Carleton Place. Carleton Place has faced a growth rate of 17.6% between 2016 and 2021. And is expected to continue to see a growing population over the next two decades. Some are predicting as much as 97% increase between now and 2036.

3.1 Colliers – Housing Needs Memorandum

Cavanagh engaged Colliers to review the changes made from the original Class 2 DP to the proposed Class 3 DP application, increasing the number of units from 72 to 84 units, and adding several bachelor/studio apartments, without increasing the physical size of the buildings. See **Appendix ‘A’** for the full report. And with the rapid population growth, there is a need for affordable options of purpose-built housing.

Their report confirmed Carleton Place is lacking in this type of unit. Their survey of available rental units in Carleton Place found that not a single bachelor/studio apartment was available for lease at that time.

Private Rooms		Bachelor/Studio Units		One-Bedroom Units		Two-Bedroom Units	
Address	Monthly Rent	Address	Monthly Rent	Address	Monthly Rent	Address	Monthly Rent
N/A	\$750	-	-	251 Bridge Street	\$1,800	250 Miguel Street	\$2,907
N/A	\$800			127 Boyd Street	\$2,200	14 Coleman Street	\$2,300
				149 Bridge Street	\$1,690	386 Edmund Street	\$2,100
				315 Bridge Street	\$1,200	15 Findlay Avenue	\$1,800
				308-332 Lake Avenue E	\$1,940	17 Moore Street	\$2,200
				Bridge Street	\$1,550	308-332 Lake Avenue E	\$2,260
				William Street	\$1,350	Bridge Street	\$1,800
Average	\$775.00				\$1,675.71		\$2,195.29

**Some addresses were not given in the public listing.*

Colliers speaks to the needs today and in the future based on population growth. They also discuss, considering the housing needs to each stage of life, one must also consider the demographic shifts seen when examining the percentage of dwellings by age of the maintainer (primary resident). The two age cohorts that have seen the greatest population increase are in the 35-44 age group and the 65-74 age group.

It's their opinion, the housing mix proposed in the Mississippi Shores Apartments meets the housing needs of these two fastest-growing age groups in Carleton Place. In addition, Cavanagh's proposal includes 20 barrier-free units offered in a variety of unit types that will particularly benefit the 65-70 age group, who currently have very little options in Carleton Place.

3.2 Smart Prosperity Institute – Carleton Place and the Rapid Growth of the Ottawa Region

Cavanagh Communities engaged the Smart Prosperity Institute; Mike Moffatt, Maryam Hosseini and Alison Dudu; a national research network and policy think tank based at the University of Ottawa, to review Carleton Place's population growth and housing needs for the purpose of understanding the market in Lanark and their lands.

Smart Prosperity reviewed Carleton Place's Official Plan, the Watson report prepared for Lanark County, and the City of Ottawa's new Official Plan to understand the cumulative effect of population growth and spillover throughout the region. It's Smart Prosperity's opinion, Carleton Place will need to build 3,994 homes between 2020 and 2038 to keep pace with population growth and pre-existing housing shortages.

Due to shrinking household sizes, the number of households in Lanark County District grew by 11.6% from 2016 to 2021, while the population grew by 10.3%.

Smart Prosperity notes, apartments comprised 12% of all occupied units in Lanark Census Division in 2021, they account for 23% of the increase in occupied units from 2016 to 2021. Although single-detached and semi-detached accounted for two-thirds of the increased housing supply of Lanark County, they represented less than half of all newly occupied units in Carleton Place, Perth, and Smiths Falls.

It's believed that, due to rising costs of housing apartments become the affordable choice, which supports the increase in the demand for rental housing.

Table: Change in the Number of Housing Units by Type, 2016 to 2021

Census Division	Total - Occupied Private Dwellings	Single-Detached, Semi-Detached	Row Housing or Apt. in Duplex	Apartment	Other	Single /Semi Share	Row/Duplex Apt Share	Apartment Share
Carleton Place	930	445	140	335	15	48%	15%	36%
Mississippi Mills	755	470	175	120	-5	62%	23%	16%
Beckwith	510	485	10	5	5	95%	2%	1%
Perth	260	100	20	150	0	38%	8%	58%
Smiths Falls	245	110	20	125	-5	45%	8%	51%
Lanark Highlands	200	190	-5	0	5	95%	-3%	0%
Drummond/North Elmsley	185	180	0	20	10	97%	0%	11%
Tay Valley	165	145	0	10	15	88%	0%	6%
Montague	80	80	0	0	0	100%	0%	0%
Total	3,330	2,205	360	765	40	66%	11%	23%

To summarize Smart Prosperity report, they believe Carleton Place will see rapid growth in the next couple of decades, household sizes are shrinking, and the most rapidly needed type of housing are apartments. The Mississippi Shores Apartments offers more housing options in Carleton Place.

4.0 CONCLUSION

In conclusion, all levels of government acknowledge there is a housing and affordability crisis across Canada and throughout the Province of Ontario. Carleton Place is no exception to the rapid population growth pressures. Particularly challenging is the supply of purpose-built rental housing and affordable housing choices in the existing supply of housing. The supply of new housing is not keeping up with demand.

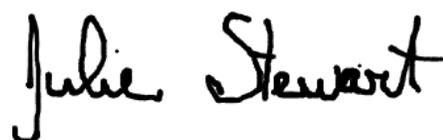
Cavanagh Developments is proposing to build and operate, through Cavanagh Realty, purpose-built rental apartments housing within the Mississippi Shores community. There will be a number of housing unit types offered, from two-bedroom plus den, two-bedroom, one-bedroom and bachelor/studio apartments. The smaller units' rents will be geared towards a below market rent as dictated by CMHC and offer an affordable option that is currently not available in the market in Carleton Place.

Cavanagh is seeking support from Council to allow for a reduction in required parking in order to proceed with developing 84 rental units in a range of sizes and rents.

CAVANAGH DEVELOPMENTS LTD.



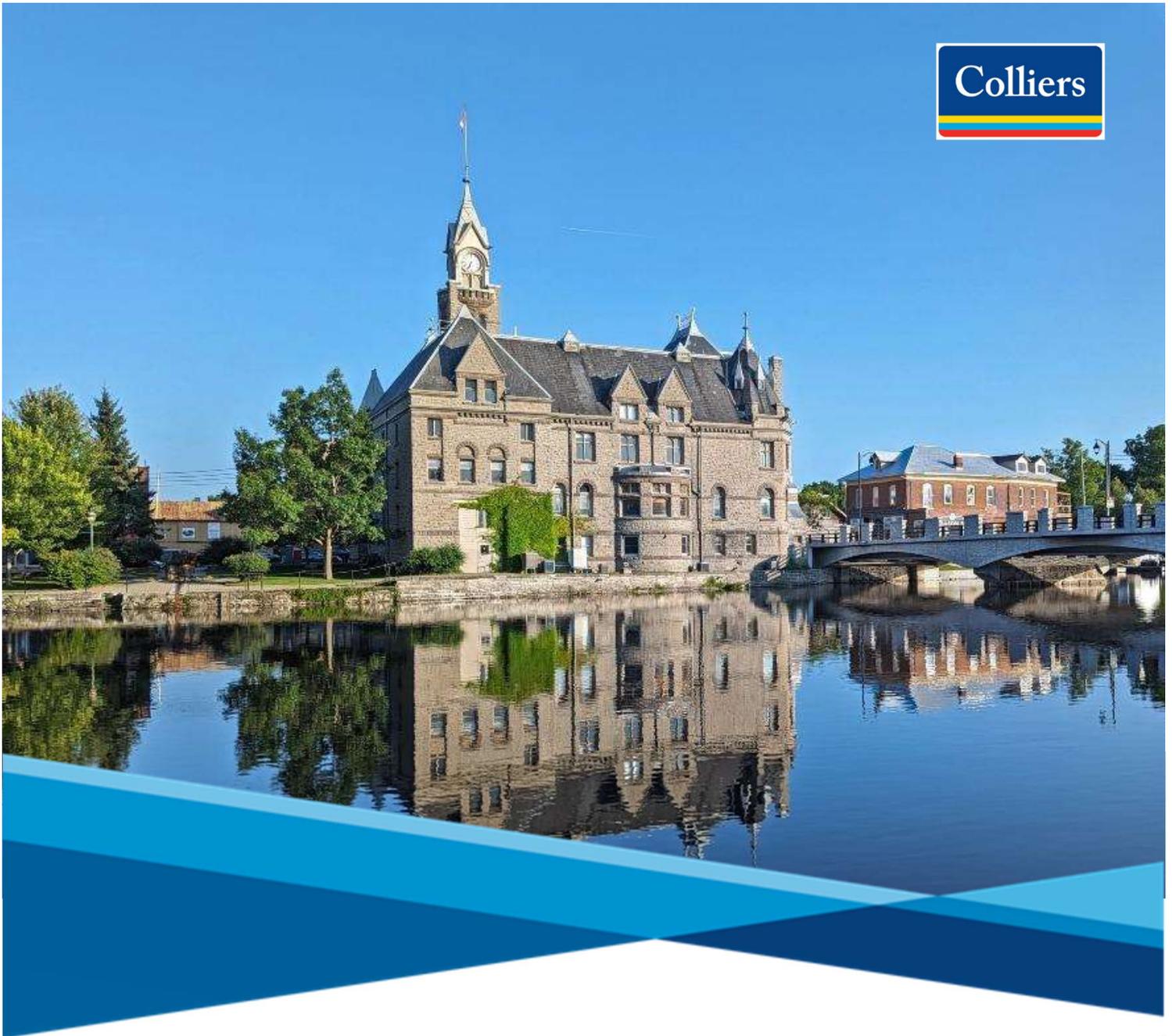
Erin O'Connor, RPP, MCIP



Julie Stewart, RPP, MCIP

APPENDIX 'A'

**Colliers - Housing Needs Memorandum
February 1, 2024**



Housing Needs Memorandum

Mississippi Shores Multifamily Development

Lake Avenue West

Carleton Place, Ontario

Effective Date: February 1, 2024

Report Date: February 1, 2024

Prepared For

Erin O'Connor
General Manager
Cavanagh Developments

Prepared By

Oliver Tighe B.A., AACI, P.App
Executive Director, Ottawa
Valuation & Advisory Services



Our File: OTT240058

February 1, 2024

Cavanagh Developments
9094 Cavanagh Road,
Ashton, ON K0A 1B0

Attention: Erin O'Connor
General Manager

Dear Ms. O'Connor;

Re: Application for the Mississippi Shores Multifamily Development
Lake Avenue West, Carleton Place, Ontario

Recently, it has come to the attention of Colliers professionals that Cavanagh Developments intends to increase the number of units in their proposed Mississippi Shores multifamily development by adding several bachelor/studio apartments in place of several two-bedroom units. Doing so will raise the total unit count of the development from 72 to 84, an increase of 12 housing units, without increasing the physical size of the buildings.

Based on our professional experience, it is our opinion that the Town of Carleton Place should grant Cavanagh Developments the right to incorporate the additional units into the development. We believe that this is the most optimal outcome for the development and for the town as a whole given the high rates of population growth Carleton Place is experiencing presently and is expected to experience in the future. In addition, our analysis has concluded that bachelor/studio apartments are the most affordable form of single-unit housing, and 12 of such units would serve to increase the stock of affordable housing within Carleton Place. We have surveyed the rental market of Carleton Place and have determined that affordable housing options such as bachelor/studio apartments are severely lacking throughout the town and are rarely listed for rent. The subject property is also located within walking distance of downtown Carleton Place and various other amenities, providing a unique opportunity to expand the supply of rental options in a walkable neighbourhood of town.

Should you have any questions, we would be pleased to discuss our conclusion further.

Yours very truly,

COLLIERS INTERNATIONAL REALTY ADVISORS INC.

A handwritten signature in blue ink, appearing to read "Oliver Tighe".

Oliver Tighe B.A., AACI, P.App
Executive Director, Ottawa

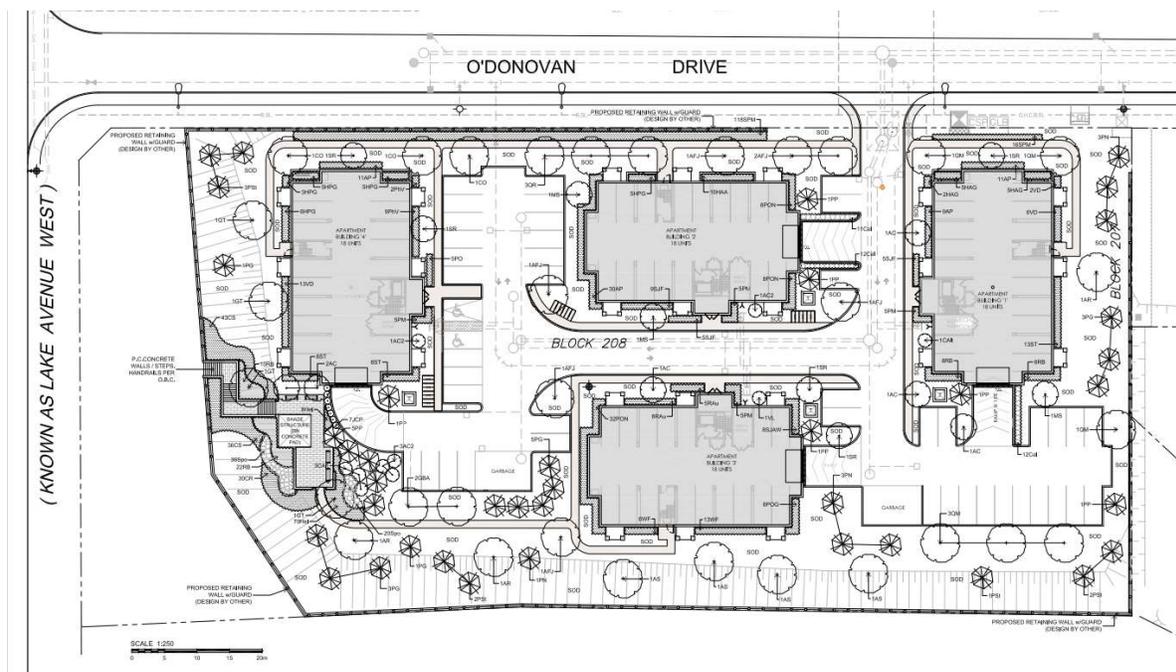
A handwritten signature in blue ink, appearing to read "Robert Gardiner".

Robert Gardiner, AIC Candidate
Associate, Ottawa

Development Overview

Cavanagh Developments has proposed a four-building multifamily project at the new Mississippi Shores subdivision. These four buildings are to be constructed at the corner of Lake Avenue West and O'Donovan Drive, directly across from Riverside Park. Currently, each building will contain 18 units, totaling 72 units across the development. These units will be a mix of one and two-bedroom units.

However, in a move to provide more affordable housing options, Cavanagh has recently updated their plans so that each building will contain three bachelor/studio units as well as three additional one-bedroom units, all at the expense of just three two-bedroom apartments per building. This would increase the unit count of the development to 84, and would see 12 new bachelor/studio apartments added to the project.



Population Growth in Carleton Place, 2016-Present

Between 2016 and 2021, Carleton Place was cited by Statistics Canada as the fastest-growing municipality in the country. The town faced a growth rate of 17.6% over that time, or an increase of around 2,000 people. This is only a fraction of the growth that is actually projected for Carleton Place. Based on provincial population projections, Lanark County is expected to grow 61% from 2016 to 2036, adding over 35,000 people. Of all the municipalities in the county, Carleton Place ranks first in terms of projected growth, at a staggering 97% growth rate over the same time period. This is expected to grow the town's population of 10,644 in 2016 to nearly 21,000 by 2036, accounting for a third of Lanark County's growth. However, the effects of this growth will be even greater as neighbouring Beckwith Township is also projected to see an 87% growth rate over the same time period, adding a further 6,500 people into the area immediately south of the town.

Based on recent completions as well current development applications within the Town of Carleton Place and Beckwith Township, the majority of new housing units to come in the near to medium term will be single-family homes, typically a mixed of detached and townhome-style units. These developments will further emphasize the need for purpose-built rental apartments featuring a diverse unit mix.



Demographic Trends

See Appendix A for graphic on demographic trends in Carleton Place.

The population growth seen in Carleton Place is primarily being driven by a mix of younger and middle-aged people moving from Ottawa in search of housing options more affordable than what is available to them in the city. This suggests that the population of Carleton Place will continue to get younger as new housing developments reach completion. As a result, housing options that meet the needs of young professionals should be a priority for new developments in Carleton Place. This includes rentals of smaller, more affordable units that a single individual can afford, such as the bachelor units being offered at the subject development.

Dwellings by Age of Maintainer	2017		2022		2027	
	Number	% Tot Hhds	Number	% Tot Hhds	Number	% Tot Hhds
Total Households	4,701	100.0%	5,494	100.0%	6,213	100.0%
Ages 15-24	96	2.0%	126	2.3%	144	2.3%
Ages 25-34	691	14.7%	788	14.3%	854	13.7%
Ages 35-44	778	16.5%	974	17.7%	1,176	18.9%
Ages 45-54	839	17.8%	879	16.0%	992	16.0%
Ages 55-64	976	20.8%	1,078	19.6%	1,077	17.3%
Ages 65-74	751	16.0%	927	16.9%	1,065	17.1%
Age 75+	570	12.1%	722	13.1%	905	14.6%

Evidence of this demographic shift can be seen when examining the percentage of dwellings by age of the maintainer (primary resident). Of all age groups, the only one to see positive relative growth between 2017 and 2022 in excess of 1% was the 35-44 group, representing the younger and middle-aged demographic discussed above. The only other group expected to see a relative increase in home occupancy is the 65-74 group. This can be explained by older individuals and retirees downsizing from neighbouring rural areas and moving into Carleton Place in search of accessible housing options, which the subject development provides. As a result, we can conclude that the unit mix of the subject development meets the housing needs of the two fastest-growing age groups in Carleton Place.

Unit Mix and Housing Options

The rapid growth of Carleton Place is expected to have significant ramifications for housing affordability in the town as the already tight housing market faces additional pressure. The majority of the growth already experienced in Carleton Place has been located in new subdivision developments along Highway 7 in the southeastern part of town. These new homes are typically three or four-bedroom townhouses or single detached homes. These homes are not purpose-built rentals though do often end up on the rental market, as many younger families have been permanently priced out of the housing market. Nevertheless, these units often require at least two income-earners within the household to be affordable, given that asking rents for many townhomes are in excess of \$2,400 per month. It is worth noting that, according to the 2021 census, 64% of all households in Carleton Place were made up of only one or two individuals. This means that there is a significant disparity between new housing types in Carleton Place and the actual kind of housing that local residents require.

As a result, there is significant demand in Carleton Place for housing that households with a single income-earner can afford. This would include bachelor/studio, one-bedroom, and even two-bedroom units. The unit mix of the proposed development meets this demand perfectly, featuring primarily smaller units that are more appropriate for single-income earners.



In addition, there is also demand for housing in the more central areas of Carleton Place as well as the area north of the Mississippi. The proposed development will meet this need as it is centrally located and within walking distance to downtown.

Affordable Housing Options in Carleton Place

Affordable housing options in Carleton Place are slim. A survey of available rental units in Carleton Place has found that the average rent for a one-bedroom apartment in town is \$1,675, while the average rent of two-bedroom apartments is \$2,195. It is worth noting that not a single bachelor/studio apartment is available for lease at the moment in Carleton Place. Past rent studies of the Carleton Place market conducted by Colliers professionals have also failed to uncover any bachelor/studio units. A close proxy to bachelor/studio units are single-bedroom rentals with shared kitchen/bathroom facilities, but even those are hard to find in town. And while geared-to-income units do exist in some newer developments, it is ultimately not enough to meet the demand for affordable housing in Carleton Place.

Private Rooms		Bachelor/Studio Units		One-Bedroom Units		Two-Bedroom Units	
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				William Street	\$1,350	Bridge Street	\$1,800
Average	\$775.00				\$1,675.71		\$2,195.29

**Some addresses were not given in the public listing.*

This comes at a time when Carleton Place is undergoing a serious housing crisis. Buyers and renters alike are no longer competing against other Carleton Place residents for housing, but must also compete with new residents moving to the town from Ottawa or other communities in search of cheaper housing options. This has placed considerable upward pressure on housing prices throughout Carleton Place, significantly impacting the living standards of lower-income renters. This is in addition to ongoing inflation and economic concerns, which has eroded housing affordability and living standards even further.

Official Plan Review

With that, we turn to the Town of Carleton Place's Official Plan. Section 6.15.3 of the Plan states that a key objective of the municipality is "to encourage the provision of a mix of housing types, including the construction of affordable housing". The mixture of unit types at this development promotes this key objective of the municipality.

Section 6.21.1 also outlines the municipality's efforts to promote affordable housing. According to the Official Plan, the Town seeks to encourage "infill and housing intensification. This may be achieved through...re-development at higher densities"; again, exactly as Cavanagh Developments is doing at Mississippi Shores. In order to facilitate such higher-density development, the same section of the Plan states that the municipality will seek to encourage "cost-effective development standards and density for new residential development to reduce the cost of housing".

The most effective way for the Town of Carleton Place to meet their goals on affordable housing is to allow developers to construct high-density developments with smaller unit types (bachelor/studio and one-bedroom units) and without burdening them with high parking ratios. In the case of the Mississippi Shores



development, a high parking ratio will only succeed in creating a larger parking lot and will inevitably result in fewer housing options.

Development Constraints in Carleton Place

Expanding on the section above, the need for greater density in Carleton Place is driven primarily by the town's geographic constraints. The boundaries of the municipality are relatively tight, meaning that there is a shortage of greenfield land available for future developments. What greenfield land that does exist is typically located on the periphery of the town, often in areas that are not conducive to walkability and accessibility. This places a considerable emphasis on the need to develop infill lands and properties located within walking distance of downtown, such as the subject. Doing so will meet the requirements of the town's official plan, as well as provide residents with a diverse selection of rental housing types located in an accessible area.

Conclusion

Based on our analysis of the issue facing Cavanagh Developments, we believe that the Town of Carleton Place should allow them to increase the unit count of their Mississippi Shores multifamily development. It is our professional opinion that the addition of 12 bachelor/studio units to the development would have a significant impact on the stock of affordable housing within Carleton Place. The development also meets the housing needs of Carleton Place's changing demographics. Lastly, it is our opinion that failing to grant the additional 12 units would be counterintuitive to the guiding principles of the municipality's Official Plan and would be a disservice to Carleton Place residents in need of affordable housing.



Demographic Trends & Key Indicators

Carleton Place, ON (T) |



12,748	5,494	2.3	41.5	CA\$94,666	69.7%	6,601	6,219	382
Population	Households	Avg Household Size	Median Age	Median Household Income	Tenure: Owned	Workforce Population	Employed	Unemployed

Average Annual Household spending



CA\$124,279

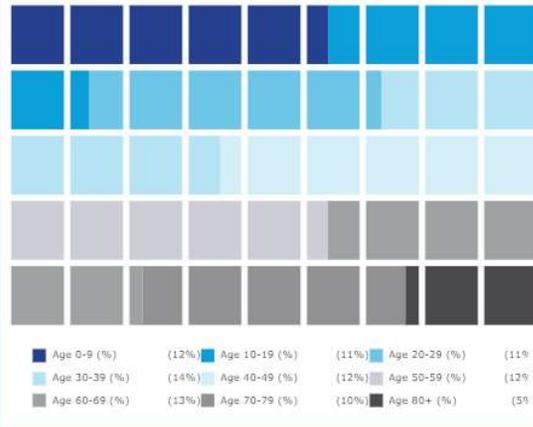
Household Expenditures



CA\$17,603

Principal Accommodation (Shelter)

Population by age



Population by Generation



1,138

Silent Generation: born 1975 and before



3,165

Baby boomers: born between 1946 and 1964



2,324

Generation x: born between 1965 and 1980



2,563

Millennials: born from 1981 to 1998



2,837

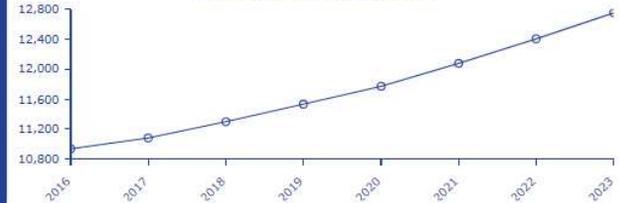
Generation z: born from 1999 to 2016



721

Alpha: born 2017 to present

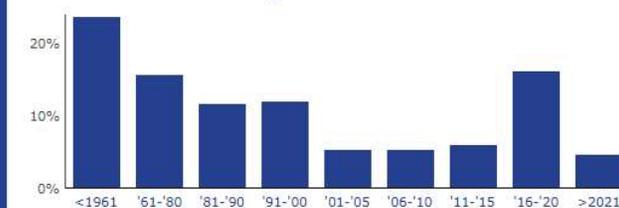
Historical population trends



Housing: tenure



Housing: Year of construction



About the Authors



[Oliver Tighe, AACI, P.App](#)

Oliver Tighe is the Executive Vice President of Valuation and Advisory Services in the National Capital Region. He leads a team of professional responsible for the completion of appraisals, market studies and consulting services throughout South Eastern Ontario and Gatineau. In his 12 years in Ottawa Oliver has completed hundreds of valuation and consulting reports relating to multi-family developments throughout South Eastern Ontario. Oliver is a designated appraiser with the Appraisal Institute of Canada and works with numerous property owners, investors and non-government / governmental organizations in providing real estate valuation and consulting services. Oliver and his team have also completed a number of national studies relating rental housing giving them a unique view into the challenges and needs for affordable housing in Canada. Oliver has a particular interest in the creation of affordable housing and believes that municipalities are at the forefront of the creation of affordable housing and need to adopt creative and collaborative policies to ensure the creation of a wide variety of housing forms to meet the needs of its residents.



[Robert Gardiner, AIC Candidate](#)

Robert Gardiner is an Associate with the Valuation and Advisory Services Group in the National Capital Region. Robert performs work related to multi-family properties though the National Capital Region. This includes appraisals, feasibility studies, market rent studies, and other forms of consulting work for clients that range from national developers to municipal governments. Robert has extensive knowledge of the Ottawa Valley market and has a keen interest in the changes affecting the region. Robert was born and raised in Mississippi Mills and currently resides in Carleton Place. Robert is also an accomplished author having published his first book *The History of Pakenham: 1823-2023* in April of 2023. As a resident of Carleton Place, Robert has a firsthand perspective of the needs for affordable housing in the town.

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