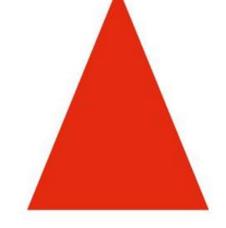


## Fill it First

Land use, climate change and affordable housing



#### **Steve Winkelman**

Executive Director

Oct 9, 2023





## **Housing Affordability Crisis**

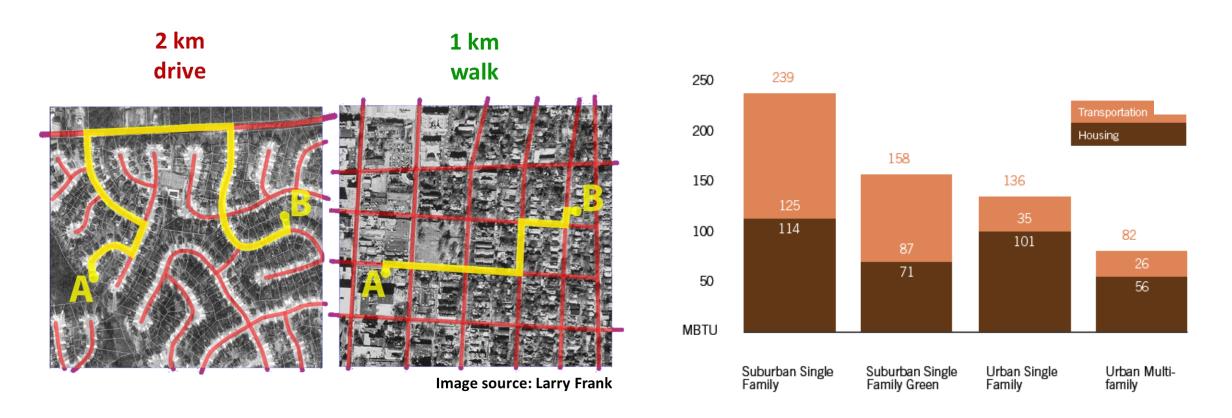
- → Pressure to build homes quickly
  - likely to increase GHGs from housing and transportation due to sprawl and weakening of green standards and increase household spending on transportation.

## Are there promising multi-solving opportunities?



## OTTAWA CLIMATE ACTION FOUNDation

## What we build – and where – has a big impact on GHGs and affordability



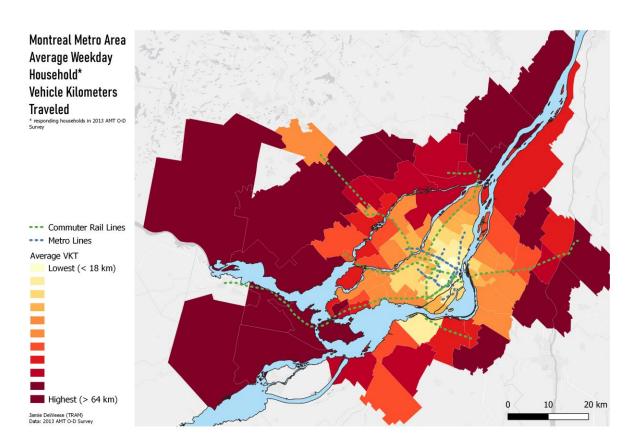
Lower income households spend 15-20% more of their income on housing + transportation (US data)

## **Land Use Policy**



#### = Housing Policy = Transportation Policy = Economic Policy

## = Climate Policy



Off-islanders drive 75% km/day more than on-islanders.

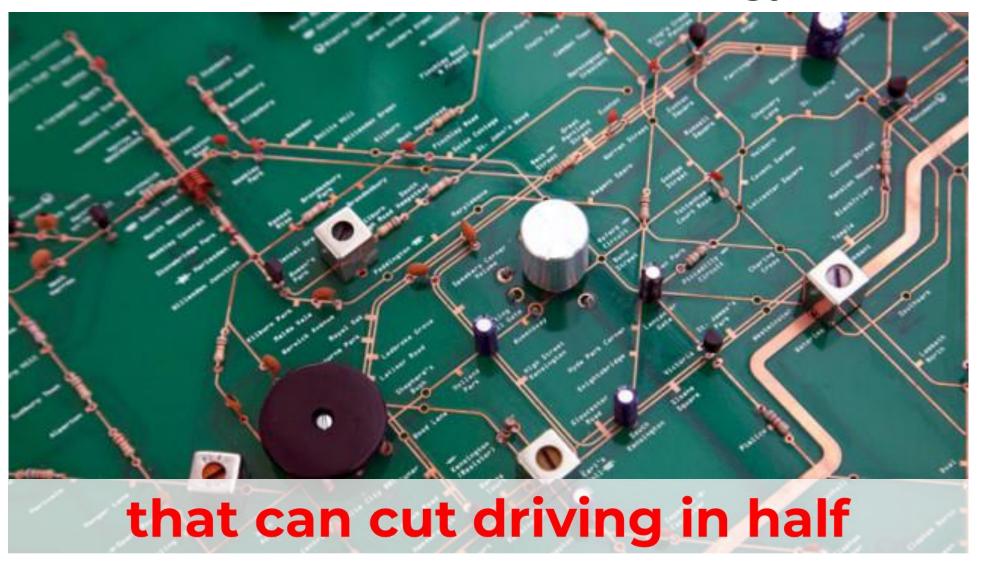


Policies that support car-oriented sprawl are like building **invisible little coal plants** all over the region.

## Transit-Oriented Development is

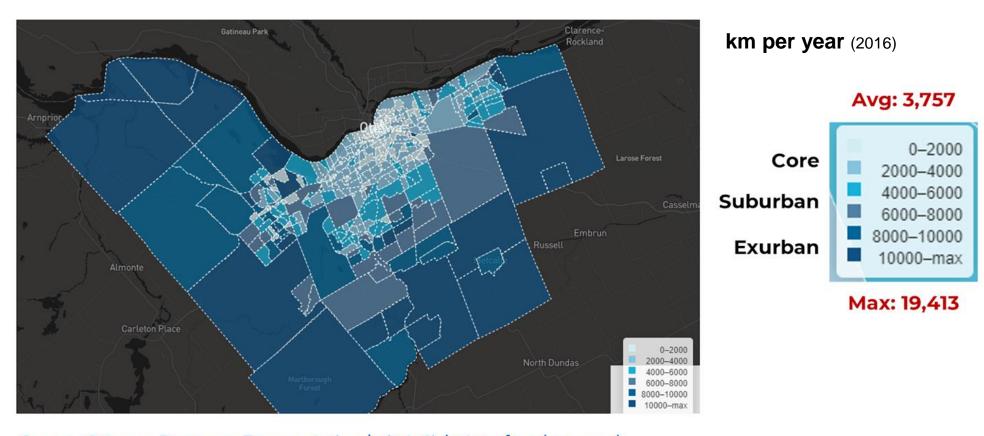


## **Transformative Urban "Technology"**





## **Densification is key to cutting GHGs**



Source: Ottawa - Passenger Transportation | cityInSight Interface (ssg.coop)

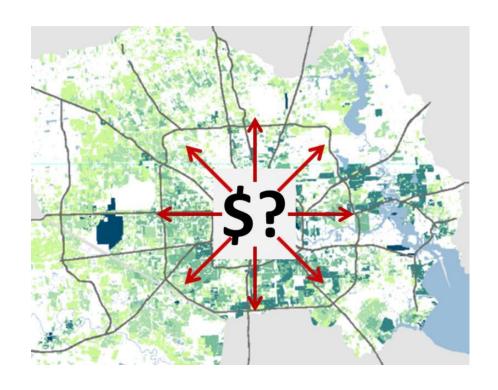


Energy Evolution modeling:

Intensification will cut driving by 50%



## Sprawl has big price tag - and doesn't solve affordability



Under-supply of walkable, "complete" neighbourhoods

- → high housing prices
  - → sprawl.

Would-be homeowners "drive until they qualify" for a mortgage ...

- → and drive up to 3 times more &
  - → spend 2 times more on transportation.

#### **↑ City infrastructure costs**

low-density development: \$ 465/capita infill generates benefits: -\$ 606/capita

and that adds up to **billions** of dollars that could either be wasted or saved.

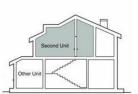
## Fill it First! A multi-solving opportunity.



## Fill empty rooms in underutilized buildings

They're already heated & connected to existing infrastructure!

- Home-sharing
- Secondary suites, convert to duplex/multiplex
- Office conversions







## Infill housing on underutilized land

Build higher density housing in core urban areas – with existing infrastructure and amenities

- Additional dwelling units, coach housing
- On parking lots, public land, community land
- Above transit stations & big box stores



## Fill it First! Why?



### Equity & Quality of Life

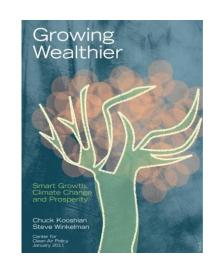
- $_{\circ}$   $\,$  lacktriangle Housing supply secondary suites faster & cheaper than new build
- Support aging in place (health, mental health, dignity)

#### Environment

- $_{\circ}$   $\downarrow$  GHGs from buildings,  $\downarrow$  embodied carbon
- $_{\circ}$   $\Psi$  GHGs from transport if in 15-minute neighbourhoods

#### Economy

- Attract and maintain workforce. Revitalize downtown.
- → \$ from rental income
   → \$ to invest in deep retrofits through "Greeny suites" ?!
- $_{\circ}$  Municipalities: igstyle 4 \$ on infrastructure,  $igstyle \Lambda$  tax revenues



## Conversion is quicker and cheaper than new build



Affordable Missing Middle (U of T, TMU, ULI)

28 Units New Build	10 Units New Build	3 Units New Build	3 Units Renovation
\$708 PSF	\$604 PSF	\$465 PSF	\$365 PSF
Rent required for a viable project:	Rent required for a viable project:	Rent required to break even by year 3:	Rent required to pocket \$1200/mo in income:
\$2,490 / mo (1br) \$2,840 / mo (2br)	\$1960 - \$3300 / mo	\$3,050 / mo	\$1,650
Affordable rent for households earning median income: \$1,595 / mo	Affordable rent for households earning median income: \$1,725 / mo	Affordable rent for households earning median income: \$1,940 / mo	Affordable rent for households earning median income: \$1,940 / mo

## Fill it First! Scale?



#### **SMALL?**

- Commercial office building conversions
  - o Canada: **20,000**: potential units <u>CUI: The Case for Conversions</u>
  - o Calgary: 5,000. **Ottawa: 3,000**. Toronto: 2,500. Montreal: 2,000. Vancouver: 300.

#### **MEDIUM?**

- Secondary suites / conversion to duplex or multiplex
  - o ON: 4,000,000 empty bedrooms (CANCEA). (many with 3+ empty)
    - > If 2.5% of them could be filled that would house 100,000 people.

#### LARGE!

- Intensification
  - $_{\circ}$  Ottawa: 51% of new growth pprox **80,000 units** (<u>Ottawa Official Plan</u>)
    - > 3 people → 240,000 people

## Fill it First! OCAF efforts



#### 1. Understanding market size

Supply quantitative analysis (# of rooms)

qualitative analysis – homeowner interests, concerns needs

Demand renters' interest

#### 2. Compare Fill it First with New builds

home-share, secondary suites, duplex conversion, ADUs, office conversions to new apt buildings, townhouses and houses

GHG emissions per unit including transport and embedded carbon

- **Time** to get a unit to market

Costs material, labour, permits & fees

Affordability and ability to access subsidies

Benefits for homeowners, the City and the public

#### 3. Exploring Program / social enterprise development

- Concierge services to match homeowners with renters?
- Capacity building or turn-key services?
  - design, finance, construction, rental management support



# Carbon Down. Community Up.

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