

**The Council on Aging of Ottawa  
1247 Kilborn Place,  
Ottawa**

**Housing Seniors:  
Choices, Challenges and Solutions**

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## **Housing Seniors: Choices, Challenges and Solutions**

### **I Highlights**

#### **Socio-Demographics:**

- **It is time to take the housing challenge associated with the population explosion of seniors seriously. In 2006, there were 103,620 seniors in Ottawa – an increase of 16% over 2001. By 2031, the number will more than double to 230,576.**
- **The senior population, like the general population, is increasingly diverse. In 2006, 11.5% of the seniors were members of visible minorities – roughly equivalent to the percentage of all seniors to the general population.**
- **The average income of seniors in Ottawa in 2006 was \$39,729 - among the highest in Ontario. However, 21% of senior men and 43% of senior women had less than \$20,000 in 2006. That represents a lot of seniors who are likely to need assistance with housing.**
- **The majority of seniors (66%) live with spouses or in a common law relationship. However, 27% live alone.**

#### **Housing Choices:**

- **The private market in Ottawa currently offers a range of housing choices to seniors who can afford the purchase or rental price. The average price of a new single detached house in 2006 was \$371,900. The average resale price of houses in Ottawa in 2006 was lower – \$257,481, equivalent to affordable housing with a household income of approximately \$68,000 or higher.**
- **Retirement Residences are also pricey. In 2007, the average monthly rent for a studio (private room) was \$2,625 and \$3,725 for a suite. Even if seniors spent 50% of their entire income on a studio or a suite with a separate bedroom, the cost would be beyond the means of the majority of seniors.**
- **There are approximately 22,500 social housing units (many are rent-geared-to-income) in Ottawa of which 25% are occupied by seniors. However, few new social housing units are being built for the future.**

- **Seniors 65+ constitute a small percentage of the people using shelters in Ottawa. However, if one takes into account the number of residents between 55 and 64, the percentage climbs. In 2007, from January to August, seniors 55+ constituted 8% of the total shelter population. It is higher in some shelters.**

#### **Housing Challenges:**

- **In 2001 (latest available data), a whopping 41% of renter senior households were in core housing need – significantly higher than non-senior renter households. A household is in core housing need if its housing falls below at least one of three standards – adequacy, suitability, affordability – and has to spend 30% or more of income for median rent of a local acceptable housing unit.**
- **Among seniors in core housing need, whether homeowners or renters, the average shelter cost to income is very high – 45%.**
- **The private market provides the widest range of housing choice for seniors with incomes in the 70<sup>th</sup> income percentile (\$102,631) or higher.**
- **For seniors in the 30<sup>th</sup> income percentile (\$45,068) or less, choices are largely limited to rental housing unless they already own their home. A major problem is that the construction of new private rental housing has virtually come to a halt.**
- **The City of Ottawa encourages the inclusion of affordable housing (where households spend 30% or less on accommodation) in new developments. The target is 25% of new rental housing for households to the 30<sup>th</sup> income percentile and 25% of new ownership housing to the 40<sup>th</sup> income. However, construction of new affordable housing is well below target.**
- **The burden of residential taxes falls heavily on seniors with fixed incomes. Also, since assessed values on property increase more rapidly in inner areas of the city, they disproportionately affect seniors in those areas.**
- **The City of Ottawa allows homeowners to develop secondary suites. In theory, this can provide seniors with additional income. However, a recent study by the Council on Aging suggests that seniors are cautious about developing secondary suites unless they receive encouragement and support.**
- **A new supportive housing initiative has been established in Ottawa through a consortium involving many community organizations and the City. It will benefit some low income seniors (10<sup>th</sup> percentile), particularly in social housing. However, it will do little for seniors above that level of income.**

- **An ongoing problem with Retirement Residences, aside from their high cost, is that they are not independently regulated and monitored with respect to standards of care. Hence, they not only are out of reach of low and modest income seniors; they also are uneven in terms of quality of care.**
- **We estimate that approximately one out of four low income seniors is accommodated by social housing. The remaining low income seniors are dependent upon the private market as are modest income seniors.**
- **In 2006, 211 affordable apartment units were completed in Ottawa. Under the Action Ottawa initiative, the target is 500 per year. That is a small amount of affordable housing relative to housing need.**
- **Few studies have been undertaken of the senior population in shelters and in rooming houses. Anecdotal evidence suggests that their housing needs are different from younger residents.**
- **Rooming houses in Ottawa are not targeted to seniors even though some seniors live in them. Most rooming houses also are not licensed. While a recent interurban study developed a profile of rooming house residents, a study of senior residents was not included.**
- **Little is known about the potential of offering affordable housing to seniors through mobile (relocatable) homes. The City of Ottawa has discouraged their development.**

### **Housing Solutions**

**It is recommended that The Council on Aging of Ottawa pursue the following strategies in order to address and advocate for two top priorities: affordable housing for seniors and emergency housing for seniors:**

- **Bring developers, various levels of government and community stakeholders together in order to develop a plan of action which will result in the delivery of affordable housing for seniors in the private sector.**
- **Work with community stakeholders and the City of Ottawa in order to encourage the Government of Canada and the Government of Ontario to develop a national housing strategy which includes affordable housing for seniors.**
- **Collaborate with community stakeholders and the City of Ottawa to develop a plan of action for seniors in social housing.**
- **Meet with non-profit housing providers to explore the feasibility of using potential surpluses made available as mortgages are retired - in order to self-**

**finance the supply of additional housing units and to ease the situation of longer term tenants, most of whom will be low and modest income seniors.**

- **Explore the feasibility of organizing public-private agreements with owners of retirement residences, the Ontario government and the City of Ottawa in order to develop affordable units within retirement residences.**
- **Network with the community stakeholders and the City of Ottawa in order to ensure that the Government of Ontario develop and monitor standards for retirement residences.**
- **Consult with the Ontario Retirement Communities Association (ORCA), the Ontario Association of Non-Profit Homes and Services for Seniors (OANHSS) and other stakeholders in order to encourage greater diversity within retirement residences.**
- **Convene a meeting of service providers, community stakeholders, the City of Ottawa and other levels of government in order to develop a plan to address the specialized needs of seniors requiring temporary accommodation.**
- **Undertake a study, in cooperation with the City of Ottawa, to explore the feasibility of increasing the supply of relocatable/mobile homes in order to house low and modest income seniors.**

# **Housing Seniors: Choices, Challenges and Solutions**

## **II Socio-Demographics**

### **Introduction**

Sadly, there is a common perception, shared by policy makers and the public alike, that Ottawa seniors are well off and need little assistance with their housing. The perception is based on the average income of Ottawa seniors - among the highest in Ontario.

Dealing with averages, however, provides a limited understanding of the housing challenges facing low (10<sup>th</sup> percentile) and modest income (20<sup>th</sup> and 30<sup>th</sup> percentile) seniors in this city. Their housing choices are limited by high house prices and rents which make it difficult for them to find affordable, adequate and suitable housing.

In addition, the availability of affordable, adequate and suitable housing depends not only upon the income of seniors but also upon the supply. Currently there is almost no growth in social or affordable housing. Furthermore, if there is an insufficient supply of housing to respond to the different needs of seniors as they age, all seniors are disadvantaged, not only those who are low income.

The Council on Aging of Ottawa initially sponsored a housing forum in 2001 in order to address the housing needs of seniors. It suggested, at the time, that senior housing was approaching a crisis since little attention was being paid to the impact of Ottawa's burgeoning seniors' population. It also highlighted the particular challenges facing low and modest income seniors.

Seven years later, in the fall of 2007, the Council sponsored another housing forum and learned from participants that the situation had not improved significantly. The demographic challenge is not going away; it will increase dramatically in the next twenty years. In addition, the problem of affordability will intensify because of increasing numbers of low and modest income seniors unless there are dramatic improvements in housing subsidies and the supply of below market housing units.

Aside from affordability and demographic issues, the housing challenges facing seniors in Ottawa are also compounded by a limited supply of rental apartments, significant increases in house prices and property taxes, few supportive housing services, unregulated retirement residences, a restricted supply of social housing, the inadequacy of shelter accommodation and a lack of alternative housing for seniors with special needs.

The remainder of this report describes, in greater detail, the demographic, affordability and housing challenges facing seniors. It also outlines the current housing choices which are available to seniors in the private market, retirement residences, social housing, shelters, rooming houses and mobile (relocatable) homes.

The report concludes with a set of proposed strategies which are intended to address the challenges faced by Ottawa seniors in the housing market. The implementation of the strategies requires support and partnership by all levels of government as well as private developers and non-profit housing suppliers.

The report, with a few exceptions, uses the most recent data that were available at the time of publication. While 2006 census data were available on population size, diversity, living and housing arrangements, some income data were only available from the 2001 census.

### **Ottawa Getting Older**

Like all age groups, seniors and near seniors are not homogeneous in terms of their housing needs. The needs of people 65-74 are not the same as those over 85. Nor are those of homeowners and tenants, married and single, men and women. As they age, seniors face changes in their income, family and health which have major impacts on their housing choices.

In 2006, the senior population 65+ in Ottawa was 103,620 (Table 1). That represented 11.9% of the total population and an increase in seniors of 16.4% over 2001 (compared to an increase of 12.4% of the total population).

<b>Table 1 Ottawa – Population 65 and Over 1991 to 2006</b>			
<b>Year</b>	<b>Total Population</b>	<b>Senior Population</b>	<b>% of Total Population</b>
1991	687,145	70,865	10.4
1996	721,135	80,045	11.1
2001	774,070	88,990	11.5
2006	870,757	103,620	11.9
Source: Statistics Canada, Census data for 1991, 1996 and 2001. For 2006, City of Ottawa, Growth Projections for Ottawa 2006-2031.			

Table 2 provides a breakdown of the 2006 senior population by age and gender. While the overall percentage of seniors was 11.9%, the largest group were seniors from 65 to 74 followed by 75 to 84 year olds and lastly by those 85 and over. These different age groups have very different housing challenges. Another factor that is important in considering housing is the proportion of men and women. Since women live, on average, longer than men, it is not surprising that the percentage of women relative to men

increases significantly with age (from 53% for the 65 to 74 year olds to 71% for the 85 and over).

<b>Table 2</b>						
<b>Ottawa – Population 65 and Over by Gender</b>						
<b>2006</b>						
Age Group	Male Number	Male Percent	Female Number	Female Percent	Number 65 +	% Total Population
65+	44,208	43	59,412	57	103,620	11.9
65-74	25,294	47	28,493	53	53,787	6.2
75-84	15,125	41	21,773	59	36,898	4.2
85+	3,789	29	9,146	71	12,935	1.5
Source: City of Ottawa, Growth Projections for Ottawa, 2006-2031						

It is also important to keep in mind that the senior population will increase dramatically in the next few decades (Table 3). By 2006, the actual percentage of seniors (11.9%) had already passed a previous projection of Statistics Canada regarding the anticipated senior population. Hence, the projections of the proportion of seniors 65+ in 2021 of 16.4% and 20.3% in 2031 – albeit significantly higher than 2006 - may be conservative due to increasing longevity.

<b>Table 3</b>			
<b>Population 65 and Over – Projections</b>			
<b>2006-2031</b>			
Age Group	2006*	2021**	2031**
Total	870,757	1,031,305	1,135,840
65+ #	103,620	169,134	230,576
65+ %	11.9	16.4	20.3
Source: Census and City of Ottawa, Growth Projections for Ottawa, 2006-2031.			
* Actual Population. ** Projected Population			

## Diversity

The senior population of Ottawa, like the general population, is also increasingly diverse. Table 4 provides a profile of visible minorities 55 and over. In some cases, people identify themselves with more than one visible minority. In total, 10,675 or 11.5% of the total senior population 65+ were visible minorities – approximately the same proportion as all seniors to the total population. However, senior visible minorities represent only 4.6% of the total visible minority population. Some of these seniors are likely to be recent

immigrants to Ottawa and little is known of their housing needs. The three largest visible minority senior groups are Chinese, South Asian and Black.

<b>Table 4</b>			
<b>Visible Minorities 65 and Over– Ottawa</b>			
<b>2006 Census</b>			
Minorities	Total - Age groups	65-74 years	75 years and over
Total population	801,270	51,145	42,010
Total visible minority population	161,720	7,150	3,525
Chinese	30,760	2,025	1,080
South Asian	26,510	1,610	605
Black	39,070	1,240	565
Filipino	7,120	260	125
Latin American	8,075	235	125
Southeast Asian	10,395	400	275
Arab	24,105	840	445
West Asian	6,055	200	100
Korean	2,115	20	30
Japanese	1,685	135	50
Visible minority, n.i.e.*	1,615	70	60
Multiple visible minority	4,210	120	65
All others	639,550	43,995	38,480
Source: Statistics Canada, 2006 Census; * n.i.e. = not included elsewhere			

## **Income**

Among seniors 65 and over, very few are without income due in large measure to the availability of Old Age Security and a Guaranteed Income Supplement. The median income for seniors in 2005 (based on the 2006 Census) was \$30,022. The average income was higher - \$39,729 (Table 5).

The incomes of Ottawa's senior women lag considerably behind those of men. In 2005, 8.1% of women received less than \$10,000 and 35% had incomes between \$10,000 and \$19,999 (Table 6). Only 23.8% of women had incomes of \$40,000 or more.

<b>Table 5</b>	
<b>Income - 65 and Over</b>	
<b>Ottawa, Census 2006</b>	
<b>Income Data</b>	<b>Total</b>
<i>Total 65 Population</i>	
Number without Income	1,190
Number with Income	95,840
Average Income	39,729
Median Income	30,022
<i>Male Population</i>	
Number without Income	275
Number with Income	41,340
Average Income	50,566
Median Income	40,956
<i>Female Population</i>	
Number without Income	920
Number with Income	53,530
Average Income	31,325
Median Income	23,417
Source: Statistics Canada, 2006 Census	

<b>Table 6</b>						
<b>Level of Income 65 and Over</b>						
<b>Ottawa, Census 2006</b>						
<b>Level</b>	<b>Male #</b>	<b>Male %</b>	<b>Female #</b>	<b>Female %</b>	<b>Total #</b>	<b>Total %</b>
< \$10,000	1,465	3.5	4,330	8.1	5,795	6.1
10,000-19,999	7,080	17.1	18,685	35.0	25,765	27.2
20,000-29,999	5,920	14.3	9,790	18.4	15,710	16.6
30,000-39,999	5,750	13.9	7,790	14.6	13,540	14.3
40,000-49,999	5,130	12.4	4,600	8.6	9,730	10.3
50,000-59,999	4,695	11.4	3,075	5.8	7,770	8.2
60,000-79,999	6,500	15.7	2,935	5.5	9,430	10.0
80,000+	4,805	11.6	2,100	3.9	6,905	7.3
Source: Statistics Canada, 2006 Census						

Regarding the relation of household income to housing (Table 7), a high percentage of low income seniors 65 and over are renters. In 2000 (latest available data), 36.7% of households with incomes below \$19,999 were renters, compared to 8.8% of owners. Another 33% of renters had household incomes between \$20,000 and \$39,999.

<b>Table 7</b> <b>Household Income Owners and Renters</b> <b>65 and Over – Ottawa</b> <b>Census 2001</b>						
Household Income	Owners Number	Owners Percent	Renters Number	Renters Percent	Total Number	Total Percent
<10,000	90	0.2	250	1.5	340	0.6
10,000-19,999	3,165	8.6	5,985	35.2	9,150	17.0
20,000-29,999	4,510	12.3	3,325	19.5	7,835	14.6
30,000-39,999	4,360	11.9	2,300	13.5	6,660	12.4
40,000-49,999	4,050	11.0	1,615	9.5	5,665	10.5
50,000-59,999	4,000	10.9	1,020	6.0	5,020	9.3
60,000-79,999	6,390	17.4	1,315	7.7	7,705	14.3
80,000-99,999	3,950	10.8	505	3.0	4,455	8.3
100,000+	6,180	16.8	705	4.1	6,885	12.8
Total	36,695	100.0	17,020	100.0	53,715	100.0
Source: Council on Aging of Ottawa, Fact Book on Aging 2004.						

## Living Arrangements

The vast majority of seniors under the age of 85 live independently. Table 8 shows the living arrangements of seniors 65 and over who are not in institutions.<sup>1</sup> The majority (65.8 %) live with spouses or in a common law relationship. On the other hand, a significant percentage of seniors (27.2%) live alone. Moreover, the ratio of seniors living alone or with others varies considerably by gender. Senior women are far more likely to live alone or with other relatives.

<sup>1</sup> In 2001, approximately 8.2% of seniors lived in institutions (e.g. long term care homes, retirement residences, hospitals). Council on Aging of Ottawa, *Fact Book on Aging 2004*, page 35.

<b>Table 8 Living Arrangements 65 and Over by Gender – Ottawa Census 2006</b>						
Living Arrangements*	Male Number	Male Percent	Female Number	Female Percent	Total Number	Total Percent
Alone	6,045	14.7	19,580	37.0	25,625	27.2
Spouse or Common Law	33,255	80.7	28,730	54.2	61,980	65.8
With Relatives	1,255	3.0	3,955	7.5	5,220	5.5
Other**	650	1.6	685	1.3	1,330	1.4
<b>Total</b>	<b>41,205</b>	<b>100</b>	<b>52,950</b>	<b>100</b>	<b>94,155</b>	<b>100</b>
Source: Statistics Canada, 2006 Census						
* Excludes institutional living arrangements						
** Includes persons living with non-relatives and not belonging to census family.						

## Housing Arrangements

Among private (non-institutional) owner and renter households in Ottawa, seniors 65 and over represent 19.8% of all owner households. They also represent 15.6% of all renter households (Table 9). In general, the number of senior owner households is two to three times higher than the number of senior renter households.

<b>Table 9 Private Owner and Renter Households Primary Household Maintainers 65 and Over – Ottawa – Census 2006</b>						
Age Primary Maintainer	Owner Number	Owner Percent	Renter Number	Renter Percent	Total Number	Total Percent
65-74	24,390	11.0	7,815	7.0	32,210	9.7
75+	19,630	8.8	9,515	8.6	29,145	8.7
Other	178,260	80.2	93,710	84.4	271,965	81.6
<b>Total</b>	<b>222,280</b>	<b>100.0</b>	<b>111,040</b>	<b>100.0</b>	<b>333,320</b>	<b>100.0</b>
Source: Statistics Canada, 2006 Census						

It is also significant that a very high percentage of senior owners, particularly in the 65 and over age groups, are mortgage free (Table 10). Among senior owner households 65 or older, 80% are mortgage free.

**Table 10**  
**Private Owner Households**  
**With and Without Mortgages**  
**Ottawa, Census 2006**

Age Primary Household Maintainer	Owner Without Mortgage		Owner With Mortgage		Total Owner Households	
	#	%	#	%	#	%
65 – 74	18,205	75	6,075	25	24,280	100
75+	16,880	86	2,690	14	19,570	100
Total 65+	35,085	80	8,765	20	43,850	100
Source: Statistics Canada, 2006 Census						

### III Choices

The socio-demographics of seniors provide a profile of the potential demand for housing. While there are other factors in the demand equation than those considered above (e.g., economic conditions, household support services), household and income characteristics of seniors are key factors in housing choice. We look at choices in four sectors: private housing, retirement homes, social housing and shelters/rooming houses/mobile homes.

#### **Private Housing**

The private housing market in Ottawa currently offers a range of choices to seniors who can afford the purchase price or the rental. The choices include detached and semi-detached houses, row houses, condominiums and apartments. It also offers some adult lifestyle/retirement communities as well as life lease housing.

##### *1. Starts*

The Ottawa market, as measured by housing starts, is strong. Starts in 2006 (5,627) were 20% higher than in 2005 – suggesting robust demand. They ranked sixth in the country among major cities. By contrast, the construction of private rental apartments in the city was quite modest in 2006 - 166 units. Low starts have been characteristic of new rental units since 1996.

As in previous years, most of the construction of new houses was outside the greenbelt (76.2%). Within the greenbelt, the largest percentage of construction was in the form of condominium apartment projects. Single home starts remained the most popular form of housing followed by townhouses.

##### *2. Prices*

Market analysis reveals that the average price of new single-detached houses in Ottawa in 2006 was \$371,900. For townhouses, it was \$236,600. The average resale price of houses in Ottawa in 2006 was lower – \$257,481 equivalent to affordable housing for a household with an income of approximately \$68,000 or higher.<sup>2</sup>

Rental prices in Ottawa have also been relatively high, due in part to the limited completion of new units.<sup>3</sup> The average rent for a two bedroom rental apartment in Ottawa

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<sup>2</sup> Ottawa, Annual Development Report 2006, page 25; CMHC, Housing Now, Ontario Region, Second Quarter, 2007, page 13, Table 4.

<sup>3</sup> Average rents are the fourth highest in comparison to larger urban areas in Canada, City of Ottawa, City Housing Strategy 2007-2012.

in 2007 was \$961 (Table 11), third highest in Canada after Toronto and Vancouver.<sup>4</sup> Rents are generally higher in the centre of the city. Since vacancy rates of apartments are also low in Ottawa, rents are likely to continue to rise in the future.<sup>5</sup>

Still, while house prices – resale and new – are clearly skewed toward senior residents with middle and high incomes, average rentals, particularly bachelor, one and two-bedroom rentals, are affordable to seniors with modest incomes (in the 20<sup>th</sup> and 30<sup>th</sup> income percentiles (Table 12). The problem is that the number of private rental units is diminishing over time because of conversions to condominiums and few starts.

### *Policy*

The goal of the City Official Plan is to encourage residential development in which there are distinct, livable and complete communities. To achieve that goal, the City not only encourages mixed development, with a range of housing choice, but also the creation of secondary suites and the deferral of property taxes (full or partial) as well as a target of 25% of new housing to be affordable (within the 40<sup>th</sup> income percentile for homeownership and the 30<sup>th</sup> income percentile for rentals).

Ottawa's commitment to livable inclusive communities has been recently reaffirmed in the City Housing Strategy 2007-2012. One initiative that is proposed to increase the supply of private sector housing for low income households is to offer density/height incentives to developers. Another is to promote brownfield development (underutilized industrial or commercial sites) in cooperation with the provincial government in order to increase the supply of housing and to achieve more compact development within city boundaries.

In terms of financial support for private sector housing, Canada Mortgage and Housing Corporation (CMHC) offers Residential Rehabilitation Assistance (RRAP) to: create, within existing residential properties, secondary self-contained units for low-income seniors and adults with disabilities; assist landlords of affordable housing in order to pay for mandatory repairs to self-contained units occupied by low-income tenants; and repair assistance to owners of rooming houses with rents affordable to low-income individuals.

Another CMHC program is Home Adaptation for Seniors' Independence (HASI), which provides financial assistance for minor home adaptations to extend the time low-income seniors can live in their own homes independently.

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<sup>4</sup> The rent for a two bedroom unit was \$961 in April, 2007. In this report, 2006 data are used to allow comparison with information on 2006 affordable housing prices and rents.

<sup>5</sup> Ottawa, Annual Development Report 2006, page 18

**Table 11**  
**Private Apartment Average Rents**  
**By Structure Size and Bedroom Type**  
**Ottawa CMA 2007**

	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom+	Total
3 -5 units	572	729	933	1,033	846
6 -19 units	570	716	867	1,094	806
20 - 49 units	633	796	932	1,292	820
50 - 99 units	652	797	947	1,053	829
100 -199 units	657	797	1,002	1,117	874
200+ units	676	842	1,011	1,235	918
Total	643	798	961	1,144	864

Source: CMHC, Rental Market Report, Ottawa, Fall 2007

## Retirement Residences<sup>6</sup>

Retirement residences provide individuals with accommodation plus meal options, and some support. If seniors are looking for their own room or suite near other people who have similar lifestyles and social interests and also looking for optional services (i.e. meals in common dining rooms and minimal personal and/or nursing and support services), then retirement residences may be the preferred choice.

### 1. Target Population

The targeted age group that is more likely to benefit from retirement residences are seniors 75 and over. A recent report indicates that there are approximately 4,520 retirement resident spaces in the City of Ottawa, which represents an 8.9 capture rate for seniors 75+ - one of the highest in the province.<sup>7</sup> The elevated market penetration of retirement homes in Ottawa can be attributed to the greater acceptance of this housing option and the relatively higher incomes of Ottawa seniors, which gives them the capacity to pay.

### 2. Rents

Of the 4,520 spaces, the vast majority (4294) are studios or suites with separate bedrooms. In 2007, the average monthly rents for these units were \$2,625 and \$3,725 respectively.<sup>8</sup>

<sup>6</sup> Retirement Residences are also referred to as retirement homes in some reports. The terms are interchangeable.

<sup>7</sup> CMHC, Retirement Homes Report, Ontario, 2007, page 13. The capture rate of 8.9 indicates that 89 seniors 75 and over out of 1000 are accommodated in retirement homes in Ottawa. The rate for the province is 4.6.

<sup>8</sup> CMHC, Retirement Homes Report, Ontario, 2007, pages 6 and 18.

### *3. Policy*

The City of Ottawa Official Plan promotes retirement residences across the City subject to appropriate land use. In addition, there are infection control strategies which apply to retirement residences as well as to long term care.

### **Social Housing**

The City of Ottawa's Housing branch is responsible for the administration and funding of social housing in Ottawa. There are close to 22,500 social housing units in Ottawa of which approximately 25% are occupied by seniors. There are 56 independent non-profit housing organizations that operate social housing in neighborhoods across the city.<sup>9</sup>

A further 598 non-market housing units are provided through investment programs including Action Ottawa, the City's affordable housing development program. In addition, 1,600 private rental units are available on a rent-geared-to-income basis through a Rent Supplement Program.<sup>10</sup>

#### *1. Rent Geared to Income*

Most rental rates for social housing are geared to the income of the renter, with households paying no more than 30 per cent of their income towards rent. Hence, by definition they are affordable.

Rents for non-market housing units are not geared to income; they are capital grants. However, they are targeted at low income households to the 20<sup>th</sup> percentile. Capital grants from the City have been used recently to lower the mortgage component of the rents required, and this has an effect on the potential mix of market rents and rent-geared-to income.

#### *2. Social Housing Registry*

The Social Housing Registry maintains a coordinated access system for rent-geared-to-income housing throughout the city. In 2007, there were 9,370 applicant households on the Social Housing Registry list. Of that number, 16% were 60 years of age and over. About 80% of all applicants have an income less than \$20,000 – close to households in the 10<sup>th</sup> income percentile.

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<sup>9</sup> City of Ottawa website: <[http://www.ottawa.ca/residents/housing/social\\_housing\\_en.html](http://www.ottawa.ca/residents/housing/social_housing_en.html)>

<sup>10</sup> City of Ottawa, Annual Development Report 2006, page 23.

### *3. Supportive Housing*

Supportive housing refers to services and arrangements which cover the continuum of housing from seniors who are completely independent to those living in long term care. It includes, among other things, assistance with activities of daily living, professional services, neighborhood and community supports, and safety and security measures. An Aging in Place framework has been developed by the Ottawa Community Support Coalition (OCSC) in partnership with the United Way, the City of Ottawa and the Regional Geriatric Program of Eastern Ontario.<sup>11</sup>

Currently, supportive housing is provided to 1,040 senior residents in five targeted apartment buildings through a consortium of the Champlain Local Health Integration Network (LHIN), the Champlain Community Care Access Centre (CCAC), Ottawa Community Housing Corporation and Ottawa West Community Support.

Supportive Housing is also provided, on a limited basis, to older women through Cornerstone/Le Pilier and other community agencies.<sup>12</sup> In addition, the Perley Rideau Veteran's Health Centre and SCO Health Service (Résidence Saint Louis) are jointly planning a continuum of service support as well as additional affordable units on their respective sites.<sup>13</sup>

### *4. Housing Information Services*

There are two services which help residents, including seniors, to find safe, affordable and adequate housing. They are Housing Help and Action-Logement. In addition to assisting people to apply for social housing, they keep a list of private rentals as well as advice regarding landlord tenant relations and emergency shelters.<sup>14</sup>

### *5. Policy*

In 2001, the province transferred the responsibility for social housing to the City. Since that time, the City has maintained existing social housing units but has added few. Instead, the focus has increasingly been on the development of affordable housing through Action Ottawa. Action Ottawa includes as-of-right and discretionary incentives with additional resources of capital grants or in some cases City owned land.

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<sup>11</sup> *Affordable Supportive Housing for Seniors: Developing a Framework and Action Plan for Ottawa, 2007.*

<sup>12</sup> About 6% of women in an emergency shelter at Cornerstone are 60+. Some senior homeless women are accommodated on a long term basis at 515 MacLaren. The average stay is 5.6 years  
<http://ottawa.anglican.ca/cornerstone.shtml>.

<sup>13</sup> Documentation provided through Greg Fougère, Perley Rideau Veteran's Health Centre.

<sup>14</sup> Action-Logement, [http://www.action-logement.ca/dev/mission\\_en.asp](http://www.action-logement.ca/dev/mission_en.asp); Housing Help, <http://www.housinghelp.on.ca/>.

As-of-right incentives include relief from development charges and building fees for residential development in the downtown core. Discretionary incentives can also be given for builders who will guarantee affordable housing for 20 years with 60% of units at affordable rents as defined by the City. The units must be rented to tenants from the Social Housing Registry.

The City's affordable strategy benefits from the Canada-Ontario Affordable Housing Program (AHP), which provides capital grants up to a maximum of \$70,000 per unit plus housing allowances for shallow housing subsidies. A 'housing-first-for-land' policy also commits the City to use some surplus municipal land for affordable housing.

### **Shelters/Rooming Houses/Mobile (Relocatable) Homes.**

There have been few studies of the circumstances or conditions of seniors who live in shelters, rooming houses or mobile homes.

#### *1. Shelters*

There are approximately 964 shelter beds in Ottawa.<sup>15</sup> In terms of the shelter population from January 1 to August 31, 2007, 7.8% of 6555 residents were seniors and near seniors. In total, there were 351 between the ages of 55 and 64 and 120 who were 65 and over. Female seniors represented 4.3% of the population and males 8.5%.<sup>16</sup>

The City subsidizes shelter spaces in city-operated family shelters, eight community shelters and overflow facilities as needed.<sup>17</sup> The City states that there is, at present, a balance of supply and demand for shelter beds but that the system is close to full capacity.

#### *2. Rooming Houses*

Rooming houses are another form of temporary accommodation. In the fall of 2007, there were 48 licensed rooming houses in Ottawa and another 172 known rooming houses which were not licensed. A recent study of rooming house residents in Ottawa suggests that the majority of rooming houses are small (less than 10 units) and that about 90% of rooming house residents are male.<sup>18</sup>

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<sup>15</sup> Ottawa, Ottawa's 2006-2008 Community Action Plan on Homelessness, page 6.

<sup>16</sup> City of Ottawa, Homeless Individuals and Families Information System, Jan. 1-Aug. 31, 2007.

<sup>17</sup> City of Ottawa, Hostels Services.

<sup>18</sup> Social Data Research, Profile of Rooming House Residents, Canada Mortgage and Housing, Research Report, 2006.

The same study, based on a sample size of 80 respondents in rooming houses, found that while the majority of residents were young (<40), 18% were 51 or over.

In terms of what respondents liked most about the rooming houses, the majority indicated location and cost; more than half liked the privacy, the safety and the landlord. In terms of what they liked least, the answers were more diverse. They included lack of cleanliness, problems with the landlord or simply a dislike of the accommodation.

### *3. Mobile Homes*

There were 450 mobile (relocatable) homes in Ottawa in 2001, most of which were owned, not rented.<sup>19</sup> Some of these units were located on farms, others in mobile parks of which there are two in Ottawa. They include Bellwood Industrial Park in Nepean and Larose Forest Mobile Home Estate between Bank and Conroy.<sup>20</sup> It is not known how many Ottawa seniors live in the mobile homes but a national study of occupants of mobile homes indicates that the age structure of people living in mobile homes is similar to that of single detached homes. On the other hand, mobile home residents are more likely to have lower income and education as well as being smaller families and single people.<sup>21</sup>

### *4. Policy*

The City subsidizes approximately 1000 shelter spaces. Funding from the federal and provincial governments is used to increase the number of supportive and transitional housing. There is also a Shelter Enhancement Program, founded under the National Homelessness Initiative, which offers forgivable loans for repairs and rehabilitation of shelters for women, children and youth.

Tenants of Rooming Houses are covered under the Residential Tenancy Act. Licensing is required of homes with four or more rooms. Mobile Homes are permitted in designated areas (e.g., Richmond).

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<sup>19</sup> Statistics sourced at City of Ottawa, [http://ottawa.ca/city\\_services/statistics/census/ott/dwell\\_ot\\_en.shtml](http://ottawa.ca/city_services/statistics/census/ott/dwell_ot_en.shtml).

<sup>20</sup> There is also a mobile park in Gatineau. The occupants of mobile homes in Bellwood Industrial Park recently learned that the park was up for sale by the owner.

<sup>21</sup> Frances Kremarik and Cara Williams (2001) Mobile Homes in Canada, *Canadian Social Trends*, Autumn.

## IV Challenges

In some respects, the housing challenges facing seniors, such as affordability, adequacy and suitability, are no different than the rest of the population. In other respects, such as design, support services, safety, aging in place and declining real income, they are different. Before turning to the specific challenges in each housing sector, however, it will be useful to outline general challenges which affect all sectors. They include housing transitions, affordability, housing conditions, core housing need and shelter cost.

### **General:**

#### *1. Transitions:*

The challenges caused by the housing transitions of seniors are many. When seniors move, their primary reason for moving is the desire to live in a smaller home, the purchase or building of a new home, the desire to be near family, the relocation to a better neighborhood, a decline in health or access to more leisure activities.<sup>22</sup> Also, widowed seniors are more likely to move than married seniors, renters than homeowners and low or moderate income households than high income households.

#### *2. Affordability*

Affordable dwellings cost less than 30% of before-tax income.<sup>23</sup> To get some idea of affordable costs of housing in Ottawa, it is useful to compare the income of households against the supply of housing as outlined in a continuum of housing developed by the City of Ottawa.<sup>24</sup>

Table 12 outlines the continuum based on estimates in 2006.<sup>25</sup> Household income

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<sup>22</sup> Jane Lin, "The Housing Transitions of Seniors", Canadian Social Trends, Statistics Canada, Winter 2005, 22.

<sup>23</sup> Some seniors, like other people, may be willing to pay more than 30% of their income on shelter. That is likely to be a choice if they are middle or high income households. Among low and modest income households, however, choice is constrained. While some might argue that seniors can or should pay more than 30% of their income on housing because they have less need for disposable income for other goods and services, we see no reason why senior households should be treated differently than other households.

<sup>24</sup> The continuum was originally reported in a report of the City of Ottawa, Developing the City of Ottawa's Housing Strategy: Housing Issues and Priorities, June 2005. It was updated in City Of Ottawa, City Housing Strategy 2007-2012, 2007.

<sup>25</sup> The term 'housing continuum' is somewhat contentious. It implies a set of values and goals which gives greater weight to homeownership than rental. Since ownership provides a form of tax free equity, it draws some into ownership when otherwise rental may be more appropriate for flexibility and centralized maintenance.

percentiles are shown in the first column, followed by annual income, affordable housing prices, affordable rent and affordable housing supply in each percentile. Households from the 40<sup>th</sup> to 60<sup>th</sup> income percentile represent medium income households. Those in the 10<sup>th</sup> income percentile represent low income households and households in the 20<sup>th</sup> and 30<sup>th</sup> income percentile are modest income. Households at or above the 70<sup>th</sup> income percentile are considered high income. Each percentile represents 10% of total senior households.

<b>Table 12 Ottawa Housing Continuum 2006</b>				
<b>Income Percentile*</b>	<b>Annual Income</b>	<b>Affordable House Price</b>	<b>Affordable Rent</b>	<b>Affordable Housing Supply</b>
10 <sup>th</sup>	18,145	65,212	454	Shelters, Social Housing, Rooming Houses, Bachelor Apartments
20 <sup>th</sup>	31,987	114,964	800	Bachelor Apartments, One Bedroom Apartments, Social Housing
30 <sup>th</sup>	45,068	161,974	1,127	Bachelor Apartments, One, Two and Three Bedroom Apartments
40 <sup>th</sup>	57,763	207,603	1,444	Above plus Resale and New Condominiums and Retirement Residences
50 <sup>th</sup>	71,138	255,671	1,778	Above plus Resale and New Row Housing
60 <sup>th</sup>	85,475	307,201	2,137	Above plus Resale Semi-detached Housing
70 <sup>th</sup>	102,631	368,857	2,566	Above plus Resale and New Single-detached Housing
80 <sup>th</sup>	125,413	450,735	3,135	Above
90 <sup>th</sup>	162,430	583,776	4,061	Above
* 2006 Estimates of income, affordable price and rent are based on 2001 Census data provided by City of Ottawa.				

At the 10<sup>th</sup> percentile, which includes households with incomes of \$18,145 or less, for example, some seniors have access to affordable housing by virtue of ownership but among low income seniors, renters are in majority (see Table 7). For low income renters, affordable units may be available in the form of bachelor apartments. Otherwise, affordable units are in the form of social housing, rooming houses and emergency

shelters.<sup>26</sup>

The affordable housing that is available to senior households in the 30<sup>th</sup> income percentile (if they are not already owners) is generally in the form of apartments; they are unlikely to be able to access social housing. Those in the 40<sup>th</sup> percentile could access affordable housing in the form of resale and new condominiums as well as apartments and possibly retirement residences. Households in the 70<sup>th</sup> percentile or higher have access to a full range of housing options at affordable prices or rents.

### *3. Housing Conditions and Core Housing Need*

Another way to look at challenges which cut across housing sectors is to consider the core housing need of seniors. Households are considered to be in core housing need if they do not live in and cannot access ‘acceptable’ housing. The term acceptable housing refers to housing that is affordable, in adequate condition and of suitable size.

A senior household is in core housing need if its housing falls below at least one of three standards – adequacy, suitability, affordability – and has to spend 30% or more of income for median rent of a local acceptable housing unit.

In Ottawa, in 2001, 27.8% of senior households (15,151) lived in housing which did not meet one or more of the housing standards. The percentage of seniors in core housing need depends also on whether the household occupies a home or an apartment. While only 9.1% of owner households were in core housing need in 2001, 40.7% of renter senior households were in core housing need (Table 13). In both cases, the need was significantly higher than non-senior households.

### *4. Core Need and Shelter Cost*

Another way to look at households in core housing need is in relation to shelter cost. In 2001, the average income of senior households in core need was \$18,012 with some variation between owner and renter households. For all senior households in core housing need, the average shelter cost to income was high - 45%. There was not much variation between homeowners and renters in relation to shelter cost.<sup>27</sup>

## **Private Housing:**

### *1. Choices in Private Sector Limited by Income*

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<sup>26</sup> In 2007, a senior whose sole source of income is Old Age Security and the Guaranteed Income Supplement would receive a maximum of \$13,513.68 (July-September rates).

<sup>27</sup> CMHC, 2001 Census Housing Series: Issue 9 Revised: *The Housing Conditions of Canada’s Seniors*, Appendix, Table 4.

As noted above, the housing choices available to seniors in the private sector very much depend upon income. As income rises, so do choices. While the demographic data provided in the previous section of the report do not allow us to compare housing choices for seniors on a percentile basis, it is possible to provide estimates of the choices available to seniors in different income categories based on 2001 data.

<b>Table 13</b>			
<b>Households, Housing Standards and Core Housing Need by Primary Maintainer – Ottawa</b>			
	Total Households	Senior Households	Non-senior Households
Households	299,900	54,500	245,400
Owner Households	188,100	37,400	150,700
Renter Households	111,800	17,200	94,600
Households Below Standard %	27.2	27.8	27.1
Owner Households Below Standard %	16.5	15.9	16.7
Renter Households Below Standard %	45.3	53.7	43.8
Households Core Need %	14.5	18.9	13.6
Owner Households Core Need %	5.9	9.0	5.1
Renter Households Core Need %	29.1	40.7	27.0
Source: CMHC, 2001 Census Housing Series: Issue 9 Revised, <i>The Housing Conditions of Canada's Seniors</i> , Socio-economic Series 05-006, April 2005			

We know, for example, that approximately 11% of senior household maintainers in 2001 had household incomes at or below the 10<sup>th</sup> percentile. Another 18% fell between the 10<sup>th</sup> and 20<sup>th</sup> percentile.<sup>28</sup> We also know from looking at the housing continuum outlined in Table 12 that seniors in the 10<sup>th</sup> and 20<sup>th</sup> percentiles have few housing options in the private sector except possibly low end rental property (including rooming houses), housing they have owned for sometime or shared accommodation with family.

<sup>28</sup> Based on data provided by the City of Ottawa, Household Incomes by age of primary household maintainer (2001 Census) the percentage of senior households (65+) in different percentiles or deciles fall into the following categories: households up to the 10<sup>th</sup> decile, 11%; between 10<sup>th</sup> and 20<sup>th</sup>, 18%; 20<sup>th</sup> and 30<sup>th</sup>, 14%; 30<sup>th</sup> and 40<sup>th</sup>, 12%; 40<sup>th</sup> and 50<sup>th</sup>, 11%; 50<sup>th</sup> and 60<sup>th</sup>, 10%; 60<sup>th</sup> and 70<sup>th</sup>, 8%; 70<sup>th</sup> and 80<sup>th</sup>, 7%; 80<sup>th</sup> and 90<sup>th</sup>, 5%; and greater than 90<sup>th</sup>, 6%.

Even among seniors with low incomes below \$20,000 who are lucky enough to own their home, it is likely that they will have difficulty meeting rising maintenance and utility costs and unable to engage in renovations. Like other residents of Ottawa in this income group, they face the additional challenges of a declining supply of suitable and adequate rental units and long waiting lists for affordable housing.<sup>29</sup>

By contrast, high income households (70<sup>th</sup> percentile and up) have a range of options virtually anywhere in the city. However, in terms of quality of choice, such as detached or attached houses, row houses, condominiums, mixed communities or supportive living, little is known about preferences of high income senior households. On balance, though, it is fair to say that the private market can generally respond to their housing needs.

The real challenge is how to provide housing for modest income households. In 2001, 32% of senior households had incomes between the 10<sup>th</sup> and 30<sup>th</sup> percentiles. In general, few modest income senior households will be able to obtain social housing. While there may be some assisted housing units available to them, the quantity is very limited (see below under social housing). The vast majority of senior households in these income ranges, therefore, depend upon the private market.

Unless they are already homeowners, however, there is very limited chance of their having access to affordable units in the ownership market. Furthermore, while some affordable rental properties are available, the supply is limited because some rental property owners prefer to convert to condominiums when they are permitted. New rental units which do become available will generally be beyond their income range.

Medium income senior households, between the 40<sup>th</sup> and 60<sup>th</sup> percentiles, represented 21% of senior households in 2001. They include households for whom affordability targets of new ownership housing are defined by the City of Ottawa (see below). In reality, however, affordable homeownership is virtually limited to condominiums for those in the 40<sup>th</sup> income percentile and to row housing at the 50<sup>th</sup> income percentile. Seniors who already own their homes would be able to keep them but would likely face difficulties in maintaining or renovating them.

## *2. Affordability Targets in Private Sector Not Met*

The City of Ottawa currently encourages the production of affordable accommodation in new units based upon 25% of new rental housing for households to the 30<sup>th</sup> income percentile and 25% of new ownership housing to the 40<sup>th</sup> income percentile. In 2006, households at the 30<sup>th</sup> income percentile could afford rents up to \$1,127 and senior households at the 40<sup>th</sup> income percentile could afford house prices up to \$207,603 (Table 12).

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<sup>29</sup> City of Ottawa, *Developing the City of Ottawa's Housing Strategy: Housing Issues and Priorities*, June 2005, 14.

In 2006, the production of affordable new ownership units fell well below target; 13.9% of the 4,778 completions were affordable at the 40<sup>th</sup> income percentile, mostly in the form of condominiums, apartments or row houses. Only 0.8% was affordable at the 30<sup>th</sup> income percentile. Affordability of new private rental apartment units could not be monitored.<sup>30</sup>

The resale housing market, on the other hand, provides a higher percentage of housing in the affordable range for ownership. In 2006, 30.4% of residential sales were affordable up to the 40<sup>th</sup> income percentile. According to the Ottawa Annual Development Report, the combined rate of affordable new and resale ownership housing at the 40<sup>th</sup> income percentile was 25.4% in 2006. That rate, however, is down considerably from 2002 when it was 60.6%.<sup>31</sup>

### *3. Limited Supply of Rental Apartments*

In principle, rental housing is likely to be more affordable to seniors in the 30<sup>th</sup> and 40<sup>th</sup> income percentile than homeownership since affordable rents at this income range are, for the most part, above average rents. In reality, however, the supply of rental units is shrinking. “Since its peak of 73,443 units in 1989, the private rental stock has contracted by 7.2% with a loss of 5,300 units.”<sup>32</sup> Most of the conversions to ownership units in 2004 and 2005 took place in the central areas of the city.<sup>33</sup>

While there has been some production of new rental housing to offset the conversions, the supply has fallen considerably below projected need. According to a recent report on Ottawa’s housing strategy,<sup>34</sup> the city will likely need 3,600 rental units per year to 2021 but in the period from 2004 to 2006, the average in the private market was about 370 per year – about 10% of the projected need.<sup>35</sup>

### *5. Significant Increase in House Prices*

Another challenge for seniors is the rising price of housing. While the real income of many seniors declines over time, and the income of some may be in line with inflation, house price increases in recent years have been above the rate of inflation.

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<sup>30</sup> Information in this section comes from the City of Ottawa, Annual Development Report, 2006.

<sup>31</sup> City of Ottawa, Annual Development Report, 2006, 94.

<sup>32</sup> City of Ottawa, Annual Development Report, 2006, 21.

<sup>33</sup> The City only allows for conversion when the rental vacancy rate is above 3%. In 2004 and 2005 that condition held and applications were received for 2, 576 rental units.

<sup>34</sup> Ottawa, Developing the City of Ottawa’s Housing Strategy, Social Housing Strategists, 2005, 22.

<sup>35</sup> City of Ottawa, Annual Development Report, 2006, Table 23.

In 2006, the average residential resale value of a house was \$257,481- an increase of 3.7% over the previous year. In the five years from 2001 to 2006, the value rose 45% with increases considerably higher in neighborhoods like Hintonburg-Westboro.

The average price for new single detached houses in 2006 was \$371,900. Prices in central Ottawa were considerably higher – making it difficult for seniors to afford or stay in older neighborhoods. By contrast, the average price of new townhouses in 2006 was \$236,600 – a 12.6% decline over the previous year. While this may reflect a trend toward lower house prices, the average price is still considerably above seniors with household incomes below the 50<sup>th</sup> percentile.<sup>36</sup>

### *6. Burden of Residential Taxes Unevenly Distributed*

The burden of residential taxes falls disproportionately on residents with fixed incomes. This includes many senior households. While Ottawa residents have had the lowest cumulative property tax increases in Ontario over the past six years, they pay higher taxes than most other Ontario residents.

In 2006, the average Ottawa home paid \$2,548 in municipal property taxes (excluding the provincial education tax). The average in Toronto was \$2,093 even though the assessed value of the average home was \$369,300 in Toronto (compared to \$276,245 in Ottawa).

The higher residential taxes in Ottawa, compared to other cities in the province, are caused by three factors: the share of commercial taxes in city revenues, the shifting burden of the educational tax on property and the shifts between classes of tax payers. In Ottawa, for example, commercial taxes account for 26% of taxes collected but in Toronto, they account for 37%.

Similarly, the residential educational tax is based on the assessed value of properties throughout the province. Since values have increased more rapidly in Ottawa than many other municipalities, the burden of the increase has been born more by Ottawa households than others.

Also, assessed values of property increased more rapidly in the inner than the outer areas of the city and there was a corresponding shift in the tax burden. Seniors in older parts of the city are disproportionately affected.<sup>37</sup> The full impact of the tax burden can only be known through further study.

The rate of uptake of the tax deferral program by seniors is not known. In any case, full tax deferral is only available to seniors who qualify for the Old Age Security and the Guaranteed Income Supplement; partial tax deferral is available to seniors with

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<sup>36</sup> City of Ottawa, Annual Development Report, 2006, 25 and 34.

<sup>37</sup> Council on Aging of Ottawa, Fact Book on Aging: Seniors in the New Ottawa, 2004, 12-15.

household incomes of \$30,000 or less. It does little for seniors in the 30<sup>th</sup> income percentile or higher.

### *7. Slow Uptake of Secondary Suites*

The creation of secondary suites in housing owned by seniors provides an opportunity to homeowners to increase income and to extend accommodation to families and friends. Until recently, however, it was not an option which households in Ottawa could legally undertake. Even now, it remains an option which is not well known in Ottawa and there are financial as well as renovation and personal barriers to overcome.

According to a recent study of the Council on Aging, about 19% of senior households who were contacted in two neighborhoods of Ottawa (Beacon Hill North and Old Ottawa South) were open to multiple occupancy including secondary suites. In general, basements were the preferred choice of the majority of respondents for renovation and most houses were relatively large, a large majority with nine rooms or more. Only 12% of respondents reported household incomes less than \$40,000; 40% of households reported incomes of \$60,000 and over.<sup>38</sup>

Among respondents who agreed to a follow-up interview, bank loans and mortgages were the preferred route for undertaking renovations. They had no knowledge of CMHC grants such as Residential Rehabilitation Assistance Programs – Secondary Suites or Persons with disabilities. In terms of renovation, most interviewees stated a preference for contractors rather than undertaking renovations themselves. There was not much interest in hiring a property manager to undertake renovations.

Builders and real estate specialists, by contrast, thought that the idea of having one-stop shopping for total property management of design, renovations and subsequent occupancy would be beneficial to many seniors. They also thought that senior homeowners would be best able to keep renovation costs down by renovating basements rather than upper floors. In addition, they stated that the full cost of renovations for the development of secondary suites would not necessarily be reflected in the resale value of the house.

### **Retirement Residences**

There are two main challenges with respect to retirement residences. The first is that they are costly. The second is that they are not regulated as to standards of care.

#### *1. Out of Reach of Low and Modest Income Seniors*

Retirement residences are costly and low cost units are few and far between. Of the 4,530 spaces in the City of Ottawa in 2007, only 226 units (5%) have rents less than \$2000 per month with the average rent being \$1,560. This means that the entire income of any

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<sup>38</sup> Canada Mortgage and Housing, *Seniors' Housing for Seniors: A Feasibility Study*, Socioeconomic Series, 65308, 2006.

senior with less than \$20,000 would be required for rental of such accommodation. Given the small number of rooms available at less than \$2000, the possibility of low and modest income seniors having access to retirement residences is virtually nil.

Furthermore, since most retirement residences had average studio rents in 2007 of \$2,625 (higher for suites), affordable units (at 30% of income or less) are effectively beyond the range of seniors below the 70<sup>th</sup> income percentile. And even if it is assumed that seniors should, or could, pay 50% of their income for a retirement residence, they would not be affordable below the 40<sup>th</sup> income percentile.

## *2. Limited Regulation and Monitoring of Retirement Residences*

The Ontario Retirement Communities Association (ORCA) is a voluntary, non-profit organization that sets standards and inspects retirement residences. Member homes must pass and maintain ORCA standards. However, many retirement residences are not members of ORCA and there is at present no provincial regulation regarding standards of care, other than the Tenant Protection Act, the Ontario Building Fire Code and the Health Promotion and Protection Act.

Consequently, care in retirement residences is neither funded nor regulated by the provincial government. While the problem is widely recognized in the community, the province has been reluctant to intervene. In addition, there is no independent body to monitor the quality of care in retirement residences.

## **Social Housing**

Social Housing responds primarily to the needs of low income households with current priority being given to people who are homeless.

### *1. Small Percentage of Low Income Seniors Served by Social Housing*

As noted in the section on housing choices, there are close to 22,500 social housing units of which approximately 5,619 or 25% are occupied by seniors.<sup>39</sup> In addition to social housing units, there are also 598 non-market or affordable housing units provided through Action Ottawa and other investment programs.

Assuming that the same percentage of seniors occupies these units as the percentage occupying social housing, there would be an additional 149 units. In total, therefore, it would appear that the social and affordable housing programs of Ottawa provided 5,760 units for seniors. Assuming, further, that there is on average 1.5 persons per unit, the number of seniors served by social housing and affordable housing would be in the order of 8,600.

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<sup>39</sup> City of Ottawa, [http://www.ottawa.ca/city\\_hall/snapshots/seniors\\_en.html](http://www.ottawa.ca/city_hall/snapshots/seniors_en.html)

In 2001, 33,520 seniors reported incomes less than \$20,000 in Ottawa (Table 7). The number will have moderated since that date but it provides a reasonable basis for considering the percentage of low income seniors which benefit from social and affordable housing. The ratio is approximately one in four. Most low income seniors, therefore, appear to rely on housing in the private market or institutional care.

### *2. Limited Availability of Affordable Housing.*

In 2006, 211 affordable apartment units were completed using public investment. Under the Action Ottawa initiative, the target has been 500 per year since 2004 but only 586 were financed to the end of 2007.<sup>40</sup> By either measure, that is a small amount of affordable housing relative to housing need. In 2001, the percentage of senior rental households in core housing need (meaning that they had an affordability problem) was 40.7% or 7,000 of households.

### *3. Availability of Supportive Housing Also Limited.*

According to a recent study sponsored by the United Way, the City of Ottawa and the Regional Geriatric Program of Eastern Ontario, the seniors most likely to be in need of supportive housing are those with incomes less than \$30,000.<sup>41</sup> They made up 32% of senior households in 2000 (Table 7). Furthermore, according to a survey of seniors by Successful Aging Ottawa, 6% of all seniors and 15% of low income seniors indicated that they needed help with one or more activities but received no help.

A recent new initiative to promote supportive housing for 1040 seniors in five designated buildings is an important initiative. It will essentially address the needs of some low income senior households in the 10<sup>th</sup> income percentile.<sup>42</sup> However, it will do next to nothing for seniors above that level.<sup>43</sup>

While retirement home communities, like the Palisades or Alavida Lifestyles, provide a range of support services for high income seniors, the real challenge in terms of supportive housing is for modest and medium income senior households. Little supportive housing is available to them.

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<sup>40</sup> City of Ottawa, City Housing Strategy 2007-2012, page 49.

<sup>41</sup> United Way and City of Ottawa, Developing an Affordable Supportive Housing for Seniors Framework for the City of Ottawa, 2007.

<sup>42</sup> The United Way study uses the data to calculate that 1,400 low income senior households (<\$20,000) have unmet needs. That estimate excludes homeless seniors or seniors in rooming houses (estimated at 600).

<sup>43</sup> At Cornerstone, several senior residents are experiencing an increased need for supports in the activities of daily living. There is a proposal to develop supportive housing for them and other low income women.

### *3. Ambivalence about Social Housing Registry*

City officials point out that seniors are relatively well served by the social housing registry. They tend to be housed faster than other applicants – within one or two years compared to five to twelve years for others, except for priority placements. In spite of favorable treatment, however, seniors are ambivalent about the social housing registry. Some are uncertain about using the registry because they are concerned about the quality of upkeep of social housing units. Others are cautious because much of the social housing stock is located in central and older areas of the city.

### **Shelters/Rooming Houses/Mobile (Relocatable) Homes**

There are few studies on seniors who live in shelters, rooming houses and mobile homes. The challenges they face probably differ in each type of accommodation.

#### *1. Shelters Inadequate for Long Term Stay*

Shelters remain a last resort of housing for the homeless, including seniors. While shelters are not intended for long term stay, and the average length is typically in the range of 30-35 days, many seniors stay longer – some up to five years. They do so because of a lack of alternative housing.

Shelter directors in Ottawa recognize the inadequacy of their facilities to address the needs of seniors requiring assistance with activities of daily living or with chronic behavioral and health problems. While some of the shelters respond to seniors needing assistance with drugs or palliative care, spaces and length of stay are very limited.

#### *2. Affordability and Quality of Rooming Houses in Question*

Although on the surface, it may appear that rooming houses provide an alternative form of housing for seniors, a recent CMHC study indicates that most tenants pay more than they can afford. In addition, there are some concerns about the quality of life and health of tenants living in rooming houses. Most tenants view, and use, rooming houses as a temporary form of accommodation.

#### *3. Sustainability of Rooming Houses in Doubt*

Even if rooming houses provide accommodation for some seniors, the sustainability is uncertain for a variety of reasons. One reason is the age of the housing stock of rooming houses. Another is the poor image which rooming houses have in the community. A third is the gentrification of neighborhoods with old stock housing. A fourth is the complexity of licensing and monitoring rooming houses.

#### *4. Little known about users of Mobile (Relocatable) Homes*

While the City of Ottawa recognizes that mobile homes can provide affordable, adequate and suitable ownership housing if properly designed, located and serviced, little is known in Ottawa about the use, or adequacy, of such homes for seniors. Past experience with Mobile Home Parks within the old City of Ottawa was generally unsatisfactory due to poor design of the site, lack of services, and locations that were segregated from the community. With amalgamation, there appears, in principle, to be more openness to the development of mobile homes. On the other hand, it does not seem to be a priority.

## V. Solutions

A response to the housing challenges noted above requires planning, commitment and cooperation on the part of private developers, governments, non-profit housing suppliers and other community stakeholders.

There are two overarching housing supply challenges facing seniors, particularly low and modest income seniors. They are: (i) affordable housing and (ii) temporary emergency housing.

The Council on Aging of Ottawa is in a position to take a lead. Therefore, it is recommended that the Council promote the following strategies, and advocate for related courses of action, in order to increase the supply of affordable housing and improve temporary emergency housing:

### **Priority # I: Affordable Housing**

**1. Bring developers, various levels of government and community stakeholders together in order to develop a plan of action which will result in the delivery of affordable housing for seniors in the private sector.**

*Possible courses of action might include:*

- Introducing non-taxable low interest mortgages.
- Reducing development taxes in return for additional affordable units.
- Developing creative zoning in return for additional affordable units.
- Housing Insurance to protect developers and owners of affordable rental units from precipitous or unexpected income loss.
- Shelter allowances for elderly residents.
- Lobbying for renewal and expansion of the Residential Rehabilitation Assistance Program (RRAP).
- Graduated payment mortgages.
- Documenting and sharing information about best practices among private developers in other cities in Canada and elsewhere.

**2. Work with community stakeholders and the City of Ottawa in order to encourage the Government of Canada and the Government of Ontario to develop a national housing strategy which includes affordable housing for seniors.**

*Possible courses of action might include:*

- A long term vision or policy framework that tackles the problems facing seniors.

- A financial commitment by the federal government which shows a permanent commitment to the resolution of the housing problems facing seniors for independent living.
- A commitment to increase the supply of affordable housing, including below market units, for seniors and others.
- Adequate replacement reserves to upgrade and renovate the current stock of social housing.

**3. Collaborate with community stakeholders and the City of Ottawa to develop a plan of action for seniors in social housing.**

*Possible courses of action might include:*

- Recognition of the short and long term needs of low and modest income senior households.
- Design and maintenance of designated buildings for seniors which allow for the integration of housing support services.
- Development of an Aging in Place model.
- Purchase and conversion of existing low rise small scale buildings to house seniors.
- Recognition of the needs of seniors to age in place.
- Assurance of accommodation for low and modest income seniors in different neighborhoods of the city.
- Promotion of social housing units, including co-ops, for francophone seniors and ethno-cultural minorities.
- Extension of supportive housing services to all senior residents of social housing who need them.

**4. Meet with non-profit housing providers to explore the feasibility of using potential surpluses made available as mortgages are retired in order to self-finance the supply of additional housing units and to ease the situation of longer term tenants, most of whom will be low and modest income seniors.**

*Possible courses of action might include:*

- Maintenance of a mix of market and below market rent to strengthen the long-term viability of the properties.
- Provision of benefit mechanisms to renters to parallel benefits to homeowners such as the stabilization of rents to long-term tenants who have paid market rent over a substantial period of time.

**5. Explore the feasibility of organizing public-private agreements with owners of retirement residences, the Ontario government and the City of Ottawa in order to develop affordable units within retirement residences.**

*Possible course of action might include:*

- The introduction of tax credits which take into account the high cost of accommodation and services in retirement residences.
- The extension of housing allowance and rent supplement programs to private retirement residences.
- The establishment of affordable targets.
- The creation of village models of retirement residences within larger development projects.

**6. Network with the community stakeholders and the City of Ottawa in order to ensure that the Government of Ontario develop and monitor standards for retirement residences.**

*Possible courses of action might include:*

- Appropriate standards of accommodation, nutrition, health care supervision and case management.
- Requirement that all retirement residences meet standards within five years of the enactment of regulations.
- Establishment of training and certification standards for retirement residence staff.
- Fostering an aging in place supportive living model within retirement residences.
- Promoting outcome rather than prescriptive measures.

**7. Consult with the Ontario Retirement Communities Association (ORCA), the Ontario Association of Non-Profit Homes and Services for Seniors (OANHSS) and other stakeholders in order to encourage greater diversity within retirement residences.**

*Possible courses of action include:*

- Increasing ethno-cultural diversity.
- Informing residents about different sexual orientations.
- Training staff about diversity issues.
- Employing staff from minority backgrounds.

**Priority # II: Temporary Emergency Housing**

**8. Convene a meeting of service providers, community stakeholders, the City of Ottawa and other levels of government in order to develop a plan to address the specialized needs of seniors requiring temporary accommodation.**

*Possible courses of action might include:*

- Providing necessary support services to address health, behavioral and social challenges.

- Recognizing that homeless seniors age faster than other seniors and building extra units to accommodate them.
- Promoting alternative long term accommodation for homeless seniors with special needs.
- Subsidize, on a pilot basis, a limited number of dedicated units in retirement residences for the long term accommodation of homeless seniors with special needs.

**9. Undertake a study, in cooperation with the City of Ottawa, to explore the feasibility of increasing the supply of relocatable/mobile homes in order to house low and modest income seniors.**

**Possible course of action might include:**

- Assessing the extent to which relocatable/ mobile homes are currently used in Ottawa and the region to house seniors on a temporary or permanent basis.
- Comparing the by-laws and development guidelines which regulate mobile homes in Ottawa and a selection of other municipalities in the province of Ontario and/or other provinces.
- Documenting best and worst practices in the use of relocatable/ mobile homes across Canada and the United States.

## VI. Glossary of Terms

**Adequate Housing:** refers to dwellings which are reported by residents as not requiring any major repairs.

**Adult Lifestyle community:** provides independent living residences for retirees and semi-retirees in a community of seniors. Residences may include a variety of dwellings with on-site recreational and community activities and 24 hour security.

**Average Income:** Average income is calculated by multiplying the total number of responses in each income range by the mid-point of the range and dividing by the total population. It does not include those who have no income.

**Affordable housing:** According to Canada Mortgage and Housing Corporation, affordable housing costs less than 30% of before-tax household income. According to the City of Ottawa, it is housing, either ownership or rental, for which a low or moderate income household pays no more than 30% of its gross annual income.

**Affordable Housing Targets:** The Official Plan of the City of Ottawa sets targets of 25% of new rental housing to be affordable at the 30<sup>th</sup> income percentile and 25% of all new ownership housing at the 40<sup>th</sup> income percentile.

**Apartment Housing:** This is the dominant type of private rental housing. Tenants pay a monthly fee to the owner of the building, have the right to live there but not to sell the unit.

**Co-operative Housing:** Housing in which the building is owned collectively controlled and managed by the co-operative. The co-operative owns the property, or in some cases manages or leases the housing from another owner, such as a government body, and then 'rents' the housing to the individual members.

**Core Housing Need:** A household is said to be in core housing need if its housing falls below one of the adequacy, suitability or affordability standards and would, in addition, have to spend 30% or more of its before-tax income to pay the median rent of alternative local housing that is acceptable (meets all three standards).

**Condominium Housing:** The resident of a condominium owns the inhabited unit and shares rights to the common building space.

**High Income:** refers to household income in the 70<sup>th</sup> income decile or higher.

**Income Percentile:** This defines the amount of gross annual income below which a specified percentage of households lie. For example, the 30<sup>th</sup> percentile (or decile) refers to the bottom 30 percent of all household incomes.

**Life Lease Housing:** is a form of housing tenure generally developed for seniors, which is similar in appearance to condominiums but the lease housing is typically by a non-profit provider and the tenant is granted the right to occupy a dwelling unit in return for an up-front payment and monthly maintenance fee payment.

**Low Income:** refers to household income in the 10<sup>th</sup> income decile.

**Medium Income:** refers to household income between the 40<sup>th</sup> and 60<sup>th</sup> income decile.

**Mobile Home:** is a single dwelling used as a residence, temporary or permanent, which is capable of being moved in a short period of time.

**Modest Income:** refers to household income in the 20<sup>th</sup> and 30<sup>th</sup> income decile

**Non-profit Housing:** This is housing owned and operated on a not-for-profit basis by community based housing providers.

**Rent-Geared-to-Income (RGI):** RGI housing is subsidized in that the appropriate government pays the difference between the rent charged and the renter=s payment.

**Retirement Residences** are private residences or institutions that accommodate seniors and provide meals, housekeeping and some health care assistance. .

**Rooming House:** is a permanent form of housing that consists of a building or part of a building where living accommodation is provided in at least four separate rooms, each of which may contain a food preparation facility or a sanitary facility but not both.

**Seniors:** For purposes of this document, individuals who are 55 and over are considered as seniors. However, residents in hostels who over fifty are considered seniors.

**Shelter:** refers to a form of residential accommodation, generally but not always temporary in nature, which provides meals, some level of care, support services and assistance with medications.

**Social Housing:** The refers to various forms of subsidized housing that are targeted to low and modest-income families and individuals. In this report, it includes assisted low income affordable rental housing as well as rent geared to income housing offered through Ottawa Community Housing, co-operatives and non-profits.

**Suitable Housing.** A dwelling is suitable if it has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standards (e.g., one bedroom for each cohabitating adult couple or unattached household member).