City of Ottawa Housing Needs Assessment – Executive Summary

Background

The 2024 Ottawa Housing Needs Assessment (HNA) is a data-informed report describing the current and projected housing needs of our municipality. Both qualitative and quantitative research was completed for the content of the report. HNA's are a core component of the delivery of federal infrastructure programming. Municipalities with populations of 30,000 or greater must complete a HNA to be eligible for federal funding under infrastructure programs (Housing, Infrastructure and Communities Canada), this includes funds under the Housing Accelerator Fund. In addition to the federal requirements, under the *Housing Services Act, 2011,* states that Housing and Homelessness Plans must include an assessment of current and future housing needs within the Service Manager's service area. HNA's must be updated every five years, and the 2024 HNA was due to the Canadian Mortgage and Housing Corporation (CMHC) on March 1, 2025. The Federal Template report was submitted to CMHC on March 1, 2025, and Housing, Infrastructure and Communities Canada on March 31, 2025.

Methodology

The HNA displays housing need and contributing factors under federally defined categories including population and demographics, labour trends, household composition, income, housing market, housing affordability, transportation, neighbourhood level drivers, system pressure and homelessness need and system inflow. The report then presents future housing need through projection modelling and two distinct scenarios.

The HNA analyses current and projected housing conditions in Ottawa to support municipal planning, policy and decision-making. Utilizing extensive municipal data allowed the assessment to incorporate information as recent as 2024, while other data, from the Census, is dated back to 2021, the last completed Census. The report relies on quantitative data from Statistics Canada (Census), Canada Mortgage and Housing Corporation, municipal administrative data sets, the Point-in-Time Count (PiT), the Housing Assessment Resource Tool and local housing market information. Qualitative methods complemented quantitative analysis by providing local context and incorporating perspectives from community partners and residents with lived and living experience. This allowed for a deeper, more nuanced understanding of the housing landscape in Ottawa.

Section 12 of the report, Future Housing Need, examines key elements sharing Ottawa's housing needs over the next decade. Projection modelling uses historical data, current trends and clearly defined assumptions to estimate future housing and

homelessness support needs. To provide accurate estimates the projections incorporate household financial constraints, affordability pressures and evolving demographic trends, rather than relying solely on historical patterns. The analysis considers key factors such as population growth (as per Ottawa's official forecasts), household formation, tenure patterns, suppressed household formation and changing demand by dwelling type.

Using the HelpSeeker Homelessness and Housing Modelling Tool, along with local data from the City, two scenarios were modelled to understand potential homelessness outcomes and inform long-term planning. This modelling approach integrates recent local data, including the PiT Count and shelter usage, expert knowledge, and evidence-based benchmarks from other communities to estimate how homelessness might evolve in Ottawa under different investment strategies. The two scenarios include a Business-as-usual scenario, maintaining the current program capacity and investment levels, and a Reduction scenario, illustrating the effects of increased targeted investments and enhanced capacity which results in significant reduction in homelessness.

Through the report it is shown that Ottawa's housing needs continue to evolve in response to sustained population growth, demographic changes, and growing affordability pressures. During the next decade, these trends will increasingly test the City's housing and homelessness-serving systems, shaping the types and scale of housing required. This Housing Needs Assessment provides an in-depth, data-driven analysis of current conditions and projected trends, highlighting critical areas of emerging strain, such as the widening gap between incomes and housing costs, rising renter demand, lengthening waitlists, and growing inflows into homelessness. Using detailed demographic and economic analyses, market and affordability trends, eviction and shelter data, and scenario-based homelessness projections, this assessment provides a detailed overview of Ottawa's evolving housing needs, highlighting systemic pressures, identifying populations disproportionately affected by affordability barriers and housing instability, and modelling potential future outcomes under various policy and investment conditions.

The findings presented here, prepared by a third party and submitted to the City of Ottawa, are intended to inform planning decisions, guide resource allocation, and support strategic discussions to ensure Ottawa's housing system is adequately positioned to meet current and anticipated demands through 2035.

Policy context

The City of Ottawa has identified housing as a strategic focus for the 2023-2026 Term of Council. One of the four strategic priorities is: A city that has affordable housing and is more livable for all. The City has set clear strategic objectives to increase housing options including below market and deeply affordable near transit, leverage city land

and seek sustainable funding, increase housing supply and support intensification and create and advance along a clear path to eliminate chronic homelessness. This priority reflects the widespread recognition that ensuring stable, affordable, and adequate housing options is essential to individual quality of life and Ottawa's collective prosperity and social equity.

As the designated Service Manager, the City of Ottawa holds legislated responsibility to plan, fund, coordinate, and deliver housing and homelessness programs. To fulfill this critical role, the City developed and adopted the 10-Year Housing and Homelessness Plan (2020-2030), which clearly frames the City's long-term vision that "Everyone has a home," and, more specifically: "Chronic homelessness is eliminated. If it occurs, homelessness is rare, brief, and non-recurring."

With the midpoint of the 10-Year Plan approaching, the City of Ottawa is preparing for a comprehensive plan update in 2025-2026. This update represents an important opportunity to recalibrate municipal strategies and respond to evolving community needs. As noted in the Plan, ongoing evaluation and strategic adaptation are essential because Ottawa's housing and homelessness systems are affected by broader demographic shifts, market conditions, and government policy changes, requiring ongoing, responsive adjustments to strategies and programs.

The Housing Needs Assessment presented here provides essential data, evidence, and analytical insight to inform and shape that critical planning process. By clearly outlining the scale, nature, and trajectory of Ottawa's housing pressures, this assessment serves as a foundational resource to inform municipal decision-making and facilitate meaningful dialogue among community partners, housing providers, advocates, and residents.

Ultimately, this assessment, and the upcoming 10-Year Plan Refresh, are intended to benefit the entire Ottawa community. Together, they provide a shared understanding and common ground to inform future investments, align priorities, and coordinate actions to address Ottawa's evolving housing needs effectively and equitably.

By clearly outlining the scale, nature, and trajectory of Ottawa's housing pressures, this assessment should complement a wealth of community knowledge, including lived experiences of housing instability and homelessness, input from residents across Ottawa, and critical insights from a dedicated network of partners working within intersecting systems, such as healthcare, social services, employment, and community supports.

Growing population

Ottawa's rapid population growth is reshaping its housing landscape, placing unprecedented demand on the city's housing supply. From 2006 to 2021, Ottawa grew by over 205,000 residents. This is an increase of 25.3 per cent, outpacing Toronto, Hamilton, and Edmonton. This growth has intensified pressure across the housing

spectrum, from increased competition in rental markets to heightened demand for affordable family-sized units. Suburban neighbourhoods like Kanata, Barrhaven, and Orléans absorb much of this growth. Ottawa's population is projected to continue growing, adding approximately 118,000 more households by 2035, which will intensify affordability challenges and housing-system pressures city-wide. This will especially affect Indigenous communities, racialized populations, and immigrant families, who are already disproportionately experiencing housing instability.

More renter households

Ottawa is experiencing a substantial shift toward rental housing, driven largely by declining access to homeownership. Although the proportion of renters increased modestly from 34 per cent to just over 36 per cent between 2006 and 2021, rapid population growth means nearly 38,000 additional households now rent their homes. By 2035, renters are projected to make up approximately 43 per cent of all households. This transition reflects the effects of escalating house prices, stricter mortgage qualification criteria, and slower income growth.

With more households relying on rental options long term, more residents are exposed to housing instability, as renting provides inherently less security than homeownership. Renters face increased vulnerability due to market-driven rent increases, potential evictions, and limited affordable options, intensifying pressures particularly on lower-income and equity-seeking groups already experiencing housing insecurity.

Rent outpacing income

Housing affordability in Ottawa is declining, driven by rental costs rising substantially faster than household incomes. Between 2014 and 2024, median monthly rent increased by 61.3 per cent, climbing from $992 to $1,600, outpacing median household income growth, which rose 46.3 per cent between 2006 and 2021. This has dramatically shifted housing costs upward: the proportion of renter households paying $2,000 or more per month grew from just 1.3 per cent in 2006 to 17.1 per cent in 2021, while the overall percentage of renter and owner households able to find housing below $500 monthly fell by nearly two-thirds during the same period.

This widening gap in affordability has led to growing challenges: almost a quarter (23.3 per cent) of renter households experience core housing need, meaning they live in housing that is unaffordable, unsuitable, or inadequate, and cannot afford alternative accommodations in their community. The gap is especially notable for households relying on social assistance or minimum-wage jobs, as even Ontario Works payments ($733 per month for a single adult) and minimum-wage employment (about $34,500 annually) fall far short of covering average market rents, such as the $1,745 average for a bachelor unit in Ottawa. Worse, vacant units are priced between 13 per cent (for bachelors) and 30 per cent (for two-bedrooms) higher than occupied units, creating a substantial entry barrier for new renters. Those affordability pressures limit housing

options, disproportionately burdening low-income and vulnerable residents, who face mounting barriers to securing stable housing.

Low vacancy rates and rising evictions

Ottawa's restricted rental market and rising eviction rates push more households into increasingly unstable housing situations. With an overall rental vacancy rate hovering below the healthy threshold of 3 per cent, which is just 2.6 per cent in 2024 and even lower for affordable units, renters face intense competition for scarce housing options. Vacancy rates reveal the affordability gaps: units renting for less than $775 are completely unavailable (0 per cent vacancy), while those priced between $775 and $1,449 have a vacancy rate of just 0.7 per cent. Family-sized units of three bedrooms or more, critical for larger households, are similarly scarce, with only a 1.7 per cent vacancy rate.

Geographic disparities further limit rental choices, with fewer vacant and affordable units in neighbourhoods close to essential services, schools, employment hubs, and transit. A combination of limited rental supply and heightened eviction risk can create a housing market where residents live in overcrowded, inadequate, or unaffordable conditions, increasing their vulnerability to homelessness and long-term housing instability.

Longer waitlists

Ottawa's Centralized Wait List for Rent-Geared-to-Income (RGI) housing has grown substantially, increasing by 36.8 per cent between 2022 and 2024, surpassing 15,000 households. Following a temporary decline during the COVID-19 pandemic — likely driven by emergency financial support such as the Canada Emergency Response Benefit (CERB) — new applications have rebounded dramatically, rising by 67.2 per cent since 2020. Single adults continue to constitute the largest proportion (40.2 per cent) of those waiting for RGI housing. At the same time, placements into social housing have sharply declined from 12.8 per cent of waitlisted households housed in 2021 to just 7.2 per cent in 2024, due to limited unit turnover. The average wait now extends between 4.2 and 7.6 years, depending on household composition.

The temporary reduction in core housing need and housing waitlists during COVID reflects national findings that emergency financial assistance like CERB temporarily relieved affordability pressures, highlighting the substantial role socioeconomic factors play in shaping demand on Ottawa's downstream homelessness and housing-support system. This widening gap between demand increases and supply constraints means more households remain stuck in unaffordable or unstable housing situations, increasing their risk of housing instability or homelessness, and adding pressure to an already strained housing system.

Inflow exceeds outflow

The pressures created by rising eviction rates, low rental vacancies, and lengthening social housing waitlists are now clearly evident in Ottawa's homelessness response system. The 2024 Point-in-Time Count recorded 2,952 people, not including dependents, experiencing homelessness which showed a 78.5 per cent increase since 2018. As inflow into homelessness consistently outpaces exits into permanent housing, the shelter system has reached occupancy levels averaging 81.3 per cent above permanent bed capacity. Families and single adult women have experienced substantial increases in shelter demand, rising by 48.7 per cent and 93.8 per cent, respectively, between early 2022 and late 2024. This mismatch reinforces prolonged reliance on emergency responses and underscores the downstream consequences of broader housing affordability pressures across the city.

More chronic homelessness

Chronic homelessness refers to persistent or long-term homelessness which meets at least one of the following criteria:

- Homeless for at least 180 days at some point over the course of a year (not necessarily consecutive days)
- Recurrent episodes of homelessness over three years that total at least 18 months.

The proportion of people experiencing chronic homelessness declined from 58.1 per cent in 2018 to 49.3 per cent in 2024. However, due to a substantial increase in the overall number of people experiencing homelessness, the absolute number of individuals experiencing chronic homelessness rose from 813 to 1,279 people. This indicates that more people are spending extended periods in a shelter system that was not designed for long-term stays, a situation that negatively affects individual, family, and community well-being. The growing number of people experiencing chronic homelessness points to an urgent need for stable, permanent housing solutions.

Increasingly vulnerable demographics

Older adults, single-parent families, and low-income households in Ottawa face growing vulnerability within the housing market. A total of 9.5 per cent of adults aged 65 and over live on low incomes, often relying on fixed incomes that fail to keep pace with rising housing costs, placing them at increased risk of housing instability. Single-parent households, which increased in number by 25.1 per cent between 2006 and 2021, experience substantial financial strain, with 26 per cent nationwide living in low income, compared to just 6.7 per cent of two-parent families. Single-parent households are more likely to be led by women, amplifying gendered aspects of housing instability, particularly for women fleeing violence. These factors — gender, family structure, and income — intersect to reinforce structural barriers and deepen vulnerability. Overall, low-income renters face escalating affordability pressures, with 23.3 per cent in core housing need.

Indigenous overrepresentation in homelessness

Although Indigenous people account for just 2.6 per cent of Ottawa's total population based on Census data which is known to undercount urban Indigenous populations, they represented 19 per cent of individuals experiencing homelessness in the City's 2024 Point-in-Time Count. The number of Indigenous residents experiencing homelessness on a single night went from 335 in 2018 to 479 in 2024, an increase of 43 per cent. Structural barriers, including racism and discrimination, further complicate efforts to secure housing in Ottawa's already unaffordable and low-vacancy rental market. Indigenous-led households also experience core housing need at a higher rate (14.8 per cent) than Ottawa's community-wide average (11.2 per cent). While this Housing Needs Assessment provides critical data and analysis, it also reinforces the importance of Indigenous-specific responses informed by Indigenous-led research, such as the Indigenous Housing and Homelessness Strategy developed by the Ottawa Aboriginal Coalition and received by City Council on October 23, 2024.

Racialized groups overrepresented in housing instability

Ottawa's racialized population doubled from 161,720 to 324,950 between 2006 and 2021, now adding up to nearly one-third (31.9 per cent) of the city's residents. Racialized communities continue to face substantial disparities in housing stability. Between 2018 and 2024, the number of racialized individuals experiencing homelessness on a single night, recorded through the PiT count, more than doubled, rising from 673 (48.1 per cent) to 1,458 (56.2 per cent). Core housing need rates are also substantially higher among racialized households, particularly Black-led households, at 20 per cent, nearly double Ottawa's community average of 11.2 per cent. National research further confirms that ethnocultural identity independently influences housing outcomes, driven by systemic barriers such as income inequality, rental-market discrimination, and economic exclusion. There is evidence of these structural and intersectional issues in Ottawa's data. However, the extent to which they can be fully understood is limited by a lack of robust race-disaggregated data.

Projections show current measures insufficient

Under current conditions, annual homelessness in Ottawa is projected to increase by 58 per cent, from 9,326 individuals in 2025 to 14,737 by 2035. This increase is driven by persistent affordability pressures, population growth, and limited availability of deeply affordable and supportive housing.

Expanding capacity could end chronic homelessness

Ottawa's population growth is projected to require 128,938 new housing units by 2035. In addition to this broader housing need, specifically addressing populations experiencing homelessness or at heightened risk requires targeted capacity expansions across the homelessness-response system, including crisis response services and community housing, such as supportive housing, transitional housing, affordable units,

and housing allowance subsidies. Projections indicate a need for 10,550 net new spaces over the next 10 years, including 3,150 units of affordable community housing, 350 supportive housing units, 200 transitional housing spaces, and 7,000 housing-allowance subsidies. Achieving this targeted expansion would result in more people successfully exiting homelessness than entering it by year three, reducing projected annual homelessness to approximately 438 individuals by 2035, and achieving the City of Ottawa's stated goal of ending chronic homelessness.

Discussion

As the designated Service Manager, the City of Ottawa holds legislated responsibility for planning and coordinating responses to homelessness. Yet, as demonstrated by this Housing Needs Assessment, many of the socioeconomic factors driving Ottawa's housing pressures, such as rapid population growth, escalating housing costs, eviction trends, and income disparities, are primarily outside the influence of municipal government or the community partners dedicatedly working to address these challenges. While the City and community partners cannot directly control these external market forces, they retain substantial agency over the strategic prioritization of local housing responses.

This assessment underscores how local decisions about where and how to focus resources, the scale and type of housing prioritized, and ensuring adequate supportive services can meaningfully influence outcomes, particularly for vulnerable populations facing the greatest barriers to housing stability. The last part of this assessment describes how targeted expansions across the continuum, including community housing, supportive housing, and dedicated crisis-response resources, can substantially move Ottawa's trajectory on housing stability and homelessness.

Above all, the urgency of these issues extends beyond system capacity and numerical trends. At its core, housing instability translates into profound human impacts in turn placing people at risk of homelessness, contributing to prolonged shelter stays, intensifying family stress, preventing individuals from leaving unsafe or violent situations. By prioritizing actions informed by data, lived experience, and clear community needs, Ottawa can create lasting stability, alleviate the human cost of homelessness, and improve the health, safety, and well-being of all residents.